









Hibiscus Coast municipality

2015–16

Integrated Development Plan



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ACRONYMS

Acronym	Meaning
ABET	Adult Basic Education & Training
AIDS	Acquired Immune Deficiency Syndrome
AFS	Annual Financial Statements
AG	Auditor-General
ANC	African National Congress
APAC	Association of Public Accounts Committees
ARV	Antiretroviral (Treatment or Therapy)
BAS	Basic Accounting System
BBBEE	Broad Based Black Economic Empowerment
CAA	Civil Aviation Authority
CBD	Central Business District
CBO	Community Based Organisation
CCDF	Consolidated Capital Development Fund
DCS	Department of Corporate Services
CCTV	Close Circuit Television
CFO	Chief Financial Officer
COGTA	Department of Cooperative Government and Traditional Affairs
COOP	Cooperative
CPF	Community Police Forum
DA	Democratic Alliance
DAC	Department of Arts and Culture
DBSA	Development Bank of Southern Africa
DAEA	Department of Agriculture and Environmental Affairs
DCOMMS	Department of Community services
DCP	Dynamic Cone Penetrating (Test)
DED	Department of Economic Development
DEDT	Department of Economic Development and Tourism
DFA	Development Facilitation Act, 1995 (Act no. 67 of 1995)
DHSI	Department of Human Settlement and Infrastructure
DM	District Municipality
DOH	Department of Health
DORA	Division of Revenue Act
DOT	Department of Transport
DSB	Development and Services Board
DSPG	Department of Strategic Planning and Governance
DSPG	Department of Strategic Planning and Governance

Acronym	Meaning
DTI	Department of Trade and Industry
DWA	Department of Water Affairs
EAP	Employee Assistance Programme
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
EPWP	Expanded Public Works Programme
EXCO	Executive Committee
FBS	Free Basic Services
FET	Further Education and Training
FMG	Financial Management Grant
FPA	Fire Protection Association
GAMAP	Generally Accepted Municipal Accounting Practices
GDP	Gross Domestic Product
GDS	Growth and Development Strategy
GIS	Geographical Information System
GRAP	Generally Recognised Accounting Practice
HCDA	Hibiscus Coast Development Agency
HCM	Hibiscus Coast Municipality
HDI	Historically Disadvantaged Individual
HEAC	Housing Evaluation Assessment Committee
HIV	Human Immunodeficiency Virus
HOD	Head of Department
ICC	International Convention Centre
ICT	Information Communication Technology
IDC	Industrial Development Corporation
IDMSA	Institute of Disaster Management of South Africa
IDP	Integrated Development Plan
IDT	Independent Development Trust
IEC	Independent Electoral Commission
IFP	Inkatha Freedom Party
IGR	Inter-Governmental Relations
ILGM	Institute for Local Government Management of South Africa
IMATU	Independent Municipal and Allied Trade Union
IMESA	Institute of Municipal Engineers of South Africa
IMFO	Institute for Municipal Financial Officers



Acronym	Meaning
ISRDP	Integrated Sustainable Rural Development Programme
IT	Information Technology
IWMP	Integrated Waste Management Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
KZN	KwaZulu-Natal
LA	Local Authority
LAC	Local AIDS Council
LGSETA	Local Government Sector Education Authority
LED	Local Economic Development
LLF	Local Labour Forum
LUMS	Land Usage Management System
MAMC	Margate Airport Management Company
MCPF	Municipal Councilors' Pension Fund
MDB	Municipal Demarcation Board
MDG	Millennium Development Goals
MEC	Member of Executive Committee
MFMA	Municipal Finance Management Act, 2003 (Act Nº 56 of 2003)
MIG	Municipal Infrastructure Grant
M&E	Monitoring and Evaluation
MIIU	Municipal Infrastructure Investment Unit
MINMEC	(Meeting between the) Minister (of DPLG) and Members of the Executive Council responsible for local government
MIR	Municipal International Relations
MLB	Motor Licensing Bureau
MM	Municipal Manager
MPCC	Multi-purpose Community Centre (Thusongs)
MPRA	Municipal Property Rates Act, 2004 (Act Nº6 of 2004)
MSA	Municipal Structures Act, 1998 (Act Nº 117 of 1998)
MSA	Municipal Systems Act, 2000 (Act Nº 32 of 2000)
MSIG	Municipal Systems Improvement Grant
MSP	Municipal Service Partnerships
MTAS	Municipal Turnaround Strategy
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NERSA	National Energy Regulator of South Africa
NGO	Non-Governmental Organisation
NHBRC	National Home Builder's Registration Council
NSRI	National Sea Rescue Institute
OHS	Occupational Health and Safety
OPMS	Organisational Performance Management System
SMMEs	Small, medium, Micro Enterprises
SME	Small and medium sized Enterprise

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Hibiscus Coast municipality

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MAYOR'S FOREWORD



The review of the IDP towards the year 2015/16 provides an opportunity for the municipality to look back to 2014/15 with the purpose of assessing whether we are still on track to achieve our strategic objectives as laid out in our operational plan. It also affords us the opportunity to adapt and amend our strategy and focus if prevailing conditions require such a shift in order to fulfil those objectives.

This year's review happens at a time when we are a few months shy from the local government elections in 2016. Thus it offers the last opportunity to the current leadership to discharge its responsibility; that of improving the lives of all our citizens. We hope that when we pass on the baton to the next crop of leadership, we would have laid a solid foundation from which to plan and build into the future.

The review also takes place on the back of a reviewed strategic focus in the local government developmental agenda. The current administration in government, under the leadership of the President and Minister of Cooperative Governance, has declared that municipalities must go "back to basics" as they deliver services to communities. This approach is underpinned by five pillars:

- Putting people first and ensuring constant communication
- Delivery of municipal services to the right quality and standard
- Good governance and an efficient administration
- Sound financial management and accounting
- Maintaining sound institutional and administrative capabilities

As a municipality, we are compelled to ensure that our strategies and objectives talk to this national imperative as we conduct our business.

As always, the review process has received input from stakeholders, both at a local and provincial level. We have held numerous IDP Forum meetings, izimbizo, sector engagements as well as our latest innovation, Community Forums. These are meetings where in each ward, critical stakeholders are brought together to discuss planning needs and priorities for the particular area. The meetings are small and focused solely on the developmental agenda of the ward, which creates opportunity for more intense discussion and scrutiny at that basic level. We believe that this will assist both the municipality and communities concerned to ensure that as we plan together, we achieve even more.

We also have in place internal systems to assess our progress and performance on a continuous basis. Our performance management system allows the leadership to monitor departmental performance, which creates space for timely intervention. We are also regularly appraised at the quarterly Service Delivery and Budget Implementation Plan (SDBIP) sessions. In addition we have in place an electronic complaints management system, which enables members of the public to input into the level and quality of service that they receive from the municipality.

These combined efforts are meant to ensure that our assessment process is of the highest qualitative value, which in turn is critical to assist our efforts to plan forward in order to fulfil our developmental objectives. As we move into the future, we will ensure that our stakeholders continue to claim their stake in the development agenda of Hibiscus Coast municipality.

Siyaqhuba. Siyasebenza. Together we move our municipality forward.

CLLR NC MQWEBU
MAYOR

MUNICIPAL MANAGER'S REMARKS



2014/15 saw Hibiscus Coast Local Municipality excelling in service delivery with a number of awards received for recognition by Province. This indeed was through team effort as well as sound leadership behind. Without cooperation and enthusiasm to deliver to communities, we would not have achieved this.

Once more it is that time of the year where the IDP, as a master Strategic Plan which supersedes all other plans of the municipality, is reviewed. We, as a municipality have to rethink our strategic approach and areas of emphasis in terms of service delivery as stipulated by Chapter 4 of the Municipal Systems Act (Act 32) of 2000. The continuous review of the IDP ensures its flexibility and responsiveness to changes in the environment, without losing sight of the long term vision as well as strategic objectives of the municipality. The rationale behind IDP has always been amongst other things, the need to address the past unjust spatial planning which produced unequal infrastructural, economic and social provision to different communities based on racial lines. As a result of this exercise, resources available within the municipality are reprioritized and directed at the delivery of projects as well as programmes that meet the development priorities. Continuous improvement in living standards is also ensured.

The Hibiscus Coast Municipality has undertaken the review process task to ensure that the objectives agreed upon are still in line and take into account the changing circumstances of communities, re-demarcation of municipal boundaries, the changes in municipal responsibilities in terms of functions within the local sphere, processes of decentralisation of delivery functions from other spheres, and unpacking and giving reality to the philosophy of developmental local government.

We are further mandated to follow a participatory approach in the review process, and accordingly, we have adhered to it. A number of public engagements were held, amongst them, the Mayoral Izimbizo, Community workshops and public notices in the local media as well as IDP Representative Forums. Over the years this exercise has proven useful for the municipality as transparency and accountability amongst other things to its communities have been displayed. It therefore becomes an important platform where the municipality has an open engagement with its communities and stakeholders at grass root level.

In conclusion, the Corporate Management uses cluster approach based on the IDP Review focus area, splitting municipality's HoDs and line managers according to areas of specialization to make inputs that will shape the municipality's business plan. The IDP team then coordinates process and synergises all inputs into a coherent shared strategic direction of the municipality**.** In order to fulfil the objectives and vision of the Hibiscus Coast Municipality, we will ensure that there is continuous co-operation in terms of planning between the municipality and sector departments in order to ensure sustainable delivery of services at all times.

MR SIHLE MAXWELL MBILI
MUNICIPAL MANAGER

EXECUTIVE SUMMARY

Introduction

This is a five-year strategic business plan (Integrated Development Plan) of the Hibiscus Coast Municipality for the period ending 2016. Specifically; this is a Reviewed 2015/16 IDP which forms the inclusion of a revised Spatial Development Framework (SDF) as well as the alignment with a number of Local Government, National and Provincial Priorities and commitments policies and plans, e.g. zooming into the 5-year plan in terms of desired programme for 2015/2016 financial year. This document provides an opportunity to revisit analysis and planning between a range of stakeholders which include amongst others, political leadership, organized civil society, community, administrative leadership, and organized businesses etc. This Reviewed IDP is further informed by the comments received from the MEC for the 2014/2015 Reviewed IDP.

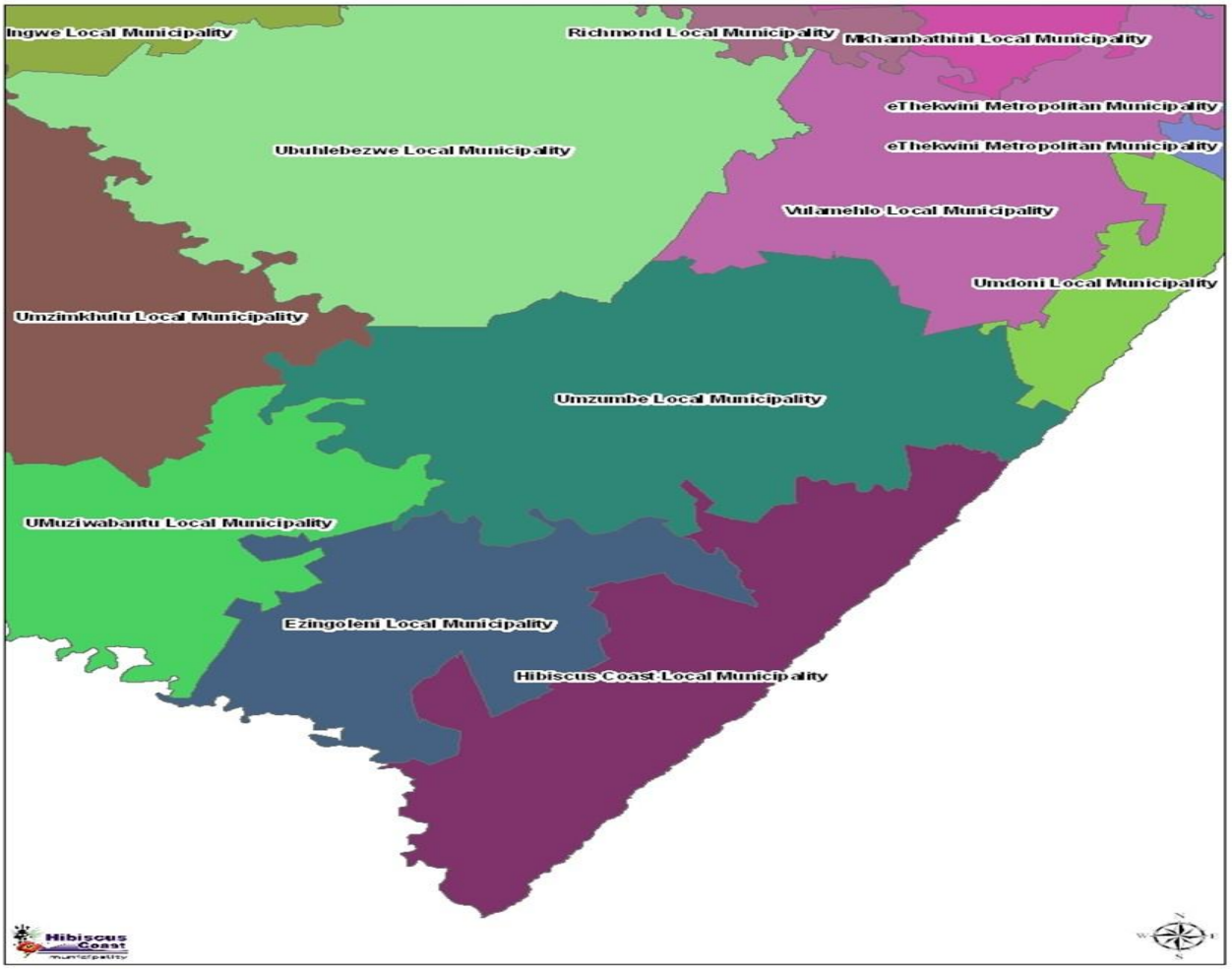
Location

Hibiscus Coast Local municipality, HCM, (KZN216) is a category B municipality and falls within Ugu District (DC21) found in the Southern part of KwaZulu Natal. The municipality has its administrative seat in Port Shepstone. It stretches from Hibberdene to Port Edward on the coast covering 67 km and about 30km into the interior. The Indian Ocean borders the Eastern part of the municipality, while on the Southern part runs Umtamvuna River which is the boundary between KZN and the Eastern Cape. Ezinqoleni municipality borders the north-western part while Umzumbe municipality borders the northern part and Umdoni Municipality is on its north-eastern boundary.

The municipality covers approximately 837km² in geographic area. The spatial location of the Municipality is an advantage as the National road, N2 runs through it ensuring accessibility and linkage with both Ethekwini and the Eastern Cape. It is also a mere 120km from the city of Durban, main commercial center of KZN and the metropolitan cities of the Republic of South Africa. The municipality consists of twenty nine wards which vary in size and population with a total population of 256135 for whole municipal area. Wards along the coastal belt have a higher number of people due to economic factors as compared to those in the hinterland. However, it must be noted that in as much as the population vary according to a ward locality, the population is evenly distributed throughout the municipality.

The map that follows indicates the locality of the Municipality.

Map 1: Locality map



Source; HCM GIS 2013

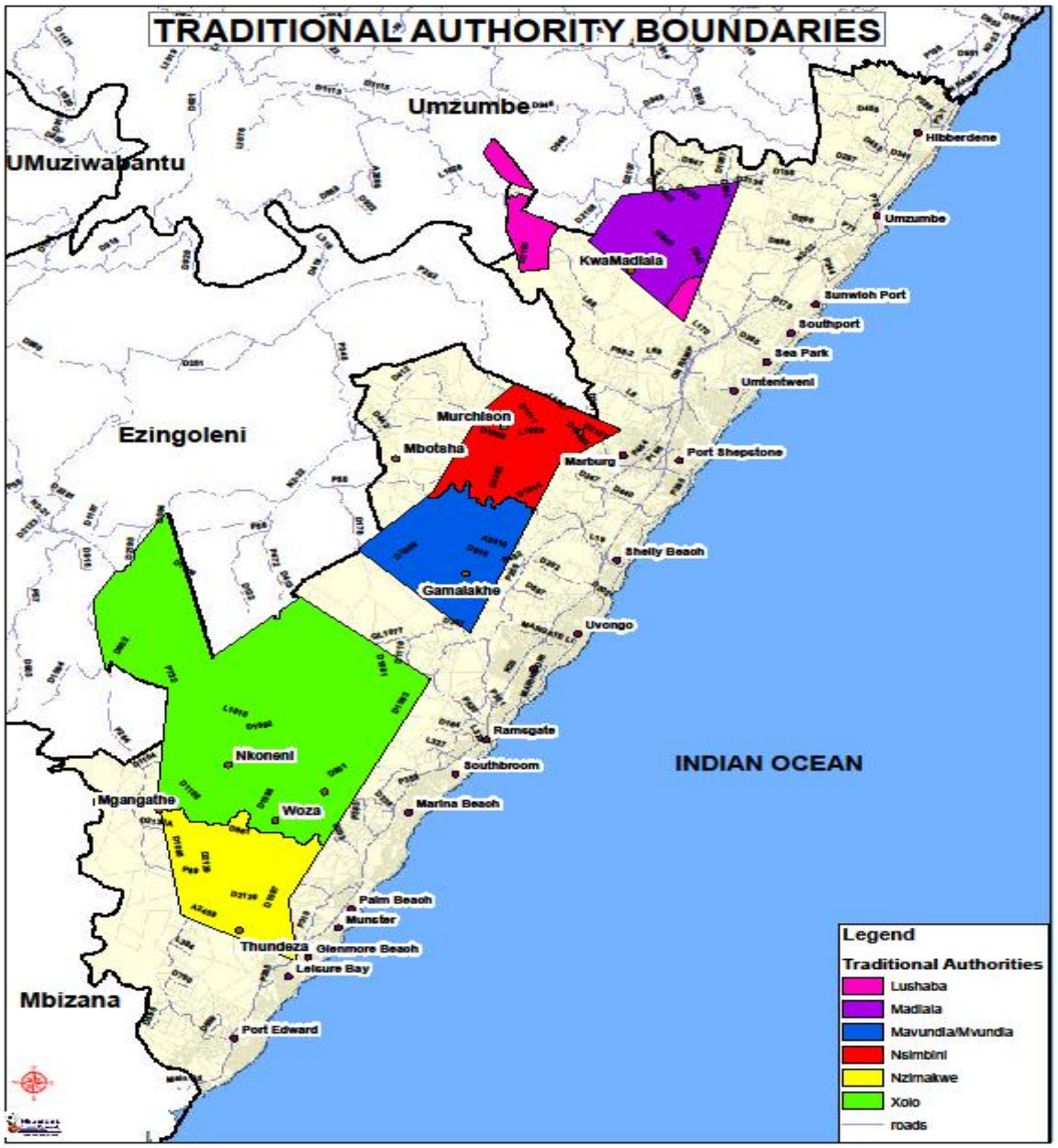
The main urban centres are along the coast and the inland region of the municipality is under the ownership of tribal authorities.

Table 1: Town Centres and Traditional Settlements

Town Centers	Traditional Settlements
Hibberdene	KwaXolo
Port Shepstone	KwaNzimakwe
Shelly Beach	KwaNdwalane
Uvongo	KwaMadlala
Margate	KwaMavundla
Ramsgate	Oshabeni
South Broom	
Port Edward	

The map below indicates the Traditional Authority boundaries. It can be noted also that these traditional Authority lands vary in size, KwaXolo being the largest and Oshabeni, the smallest.

Map 2: Traditional Authority Boundaries



HCM GIS 2013

Population

According to the 2011 Census Report, the Hibiscus Coast municipality has a population of approximately 256 135. Throughout the years there has been a constant racial pattern with Africans being dominant by a huge margin, (82%) followed by Whites, (11%), then Indians, lastly, Coloureds. The African population is distributed throughout the wards, however, wards along the coastal belt, especially wards 2, 16 and 19, have a high concentration of white population. It must be noted that these wards are urban.

The municipality has a highest population compared to the other five local municipalities within the District. Since 1996 to date, there has been an increase in the entire racial population mainly due to immigration given the better socio-economic opportunities in HCM area compared to others in the region. Although there was overall increases, Indians decreased between 1996 and 2001 but increased again between 2001 and 2011. This was due to a number of both socio- economic factors. HCM is a municipality that consists of a very high percentage of young people between the ages of 14 and 35 according to Stats SA 2011 survey. The entire District youth population is 434080 and out of this, HCM has 165344 and this is evident that the municipality has a high percentage. It must be noted that the female population of the municipality is higher (54%) than that of males (46%). This is attributed to socio-economic factors. In as much as HCM has a thriving economy, due to the steady influx of people from other neighboring municipalities and other areas, over the years there has been a rise of unemployment, thus many people have migrated to other provinces in search of greener pastures. Another contributing factor of why the number of males is lower than that of females is the social factor. According to the District Department of Health statistics and information, many men succumb to diseases early in life compared to women.

Housing/ Settlements typology

Ugu as a whole is an area that has an urban development bias and a large proportion of the population with limited skills and low education levels. The municipality land area is characterized by developed urban coastal strip, commercial farming immediately stretching in land and dispersed rural settlements where there is little subsistence farming taking place. Naturally, most of the developed human settlements is along the coastal belt as this is where main economic activities take place and land competition has intensified in these areas which is contrary to urban formal settlement. Settlements in rural areas are not yet controlled through land use management scheme and as a result is largely disorderly. However, rural land use management scheme is underway and soon controls will be introduced. Building in rural areas is not controlled using building regulations standards and as a result, poor. However, in the recent years quality of houses have hugely improved.

Economic development

Hibiscus Coast Municipality serves as an economic hub of the Ugu District and is the most developed as compared to the other five local municipalities within the District and thus functioning as a regional center. It is also the most densely populated municipality. The Provincial Growth and Development Strategy and the National Spatial Development Framework show that one of the primary development corridors has extended from Durban into Ugu District. HCM is thus located in this important development corridor and transport route (N2) in the District. The corridor enhances economic opportunities leading to vast increase in imigration and commuting as well. Most business activities take place along the coastal belt. In as much as the municipality is the economic hub for the entire district, there is a high rate of unemployment due to a number of social factors. The ownership of the economy also still mainly reflects the pre-democracy trend of white ownership.

The main features of the local economy are tourism, commercial agriculture and some limited manufacturing centered around Port Shepstone/Marburg and Margate/Manaba. Other economic activities include services, fishing, and craft. Though limited, there is , however, some concerted effort to support Small Medium, Micro Enterprises (SMME's) and have recently supported establishment of their association. Through its Extended Public Works Programme (EPWP), the municipality provides gap job opportunities to many unskilled especially young people and this is implemented mainly through its infrastructure development and services programme. The Previously Disadvantaged Individuals, the youth and disabled members of the municipality are given first preference in job opportunities as a way of redress and equity. The EPWP has projects already implemented, and these are, street cleaning and verge cutting which are funded by our 2014/2015 incentive grant allocation of R1, 084 million. The two projects in question have employed 65 beneficiaries. Both projects commenced on the 5th of January 2015 and both shall cease to exist on the 31st of May 2015.

Opportunities and Development Strengths

Hibiscus Coast Municipality provides an attractive destination with wide range of amenities and facilities of good quality as well public infrastructure and private investments making it attractive and conducive for its residents and tourists alike. However, like many areas in the country, the municipality is faced by a challenge of two-worlds in one community divided along rural/urban split. The urban part is where most good quality amenities, facilities, infrastructure and services is enjoyed, the same cannot be said with the rural portion. As a result, yearly, the municipality strives to innovatively find a balance between keeping the existing urban infrastructure, facilities, amenities and services being of good quality and also expanding such, while at the same time closing the backlog experienced mainly on rural side. Great efforts are being made to reduce backlogs by prioritizing basic needs to improve the quality of life of the citizens as per the principles set out in the NDP and further narrated in the PGDS and Ugu GDS.

Hibiscus Coast Municipality's success lies in its current stable economic activities. Further economic opportunities and development can be explored through for example, economic development corridors, Izotsha economic corridor is one such example. There is a potential for eco- tourism in both rural and urban areas due to the natural assets and beautiful scenery. For instance also, there is the Red Dessert in Port Edward, Petrified Forest in Trafalgar, the ancient rock art is found on the rocks at KwaXolo Art shelter which is an indication that this area was once inhabited by the Khoi-Sans, Impenjathi Resort, as well the rocks at Shelly Beach which are said to be from the volcanic eruption, brought to the beach from Antartica.

On mainstream economy, there is a growing potential for the growth of the economy judging by recent performance of Margate Airport which was reopened in November 2013. According to the airline operator, over the last year almost 5000 passengers have used the airline flying between OR Tambo International Airport in Johannesburg and Margate. While this was initiated as a one return flight scheduled for selected dates per week, this has grown tremendously. It started as one flight about three times a week to now having at least a flight daily and in fact two flights on Sunday, Monday and Fridays. Operator is looking at increasing Tuesday to two flights from end of June. Further, during peak periods, there are more flights. The redevelopment of airport and related infrastructure therefore will give the area breath of fresh air.

Margate Beach front redevelopment is underway and funded by COGTA to give a new look to the beach. First Southern phase of development of promenade has been completed Plans are underway for main beach area and northern potion.

Investment Opportunities (Catalytic Projects)

The municipality has key projects which will unlock job opportunities. These are projects regarded as having significant development impact. It is the projects that go beyond the powers and functions and affordability of Council and only use need and desirability/impact as the criteria. The projects listed below are regarded as catalytic projects being at different stages of implementation.

- **Justice Park** is essentially a development of a high court and more magistrate courts and office block to accommodate the Department of Justice needs. Total project value is estimated at R360m. HCM has made land available for the project and the Department of Public Works is currently packaging the entire project.
- **Development of Intermodal Public Transport Facility** which is a public transport ranking, facility with high order commercial mix. The facility in essence will be bus and taxi rank and a mall to be in Port Shepstone current bus and taxi rank.



- **Music City** to be developed at Hibberdene and it is a water front type development worth billions of rands. Lease agreement for land owned by HCM has been signed as well as Development agreement.

- **Technology Hub** to be developed at Izotsha. This initiative is funded by the Premiers office. The main attributes of the Technology hub include :

 - specialised business park with tenants focused on technology and scientific research.
 - Closed alignment to tertiary institutes and their academic staff.
 - Partly linked to a wider research system.

- **Margate Beach** front redevelopment is underway funded by Cogta to give a new look to the beach. First southern phase development of promenade has been completed. Plans are underway for main beach area and Northern portion.

- **Margate Airport:** The upgrade of Margate Airport has made it easier for tourists to access the district once they are in the province, as well as making it significantly easier and simpler for the tourists to remain in the province for longer periods, due to the expanded range of tourism product in keeping with the tourists' needs. In addition, the area around Margate airport presents substantial potential for future industrial development. The Department of Co-Operative Governance and Traditional Affairs, (COGTA) financed this operation to the tune of R10m for the upgrade of the Margate Airport and the project bore fruit in November 2013 when the first airline landed. It is a commercial airliner and is operating between OR Tambo and Margate respectively until more lines are opened. The Provincial Treasury has a project to revitalize all the regional airports. Flights are between Margate and OR Tambo up until more demands, and then more destinations would be added. Scheduled flights initially were to fly on certain days per week between the two destinations, but due to demand the flights are daily.

- **Tourism and ecotourism development:** Tourism Development Strategy for Ugu South Coast Tourism Region completed recently introduces a sector specific vision and the associated long-term goals. The goals are developed in alignment to the national responsible growth objectives. Both the tourism and eco-tourism of Hibiscus Coast seeks to deliver a welcoming world class visitor experience.

- **Marine Drive corridor and craft market**

 Village tourism should not be developed as a separate route, but an integral part of the products available to the tourists visiting the area. The municipality has identified a set of activities such as arts and craft market taking place in some areas and have package them into a unique product that appeals to the tourists, particularly international tourists. These are showcased in arts and crafts markets as well as flea markets. Marine Drive corridor is where this potential growth is taking place. A range of businesses are found along this drive, starting at Port Shepstone to Ramsgate. It is a stretch that is approximately 20km.

Tourism

The municipal area is a strong tourist attraction place boasting of a well-developed public infrastructure, beautiful coastline with blue flag beaches and other tourism products. Added to that is the climate which is humid and subtropical all year-round, thus a best spot for tourists. Margate and Port Shepstone are two main centres with the latter mainly playing administrative role while the former is more of tourism attraction point with most tourism products developed in and around this town.

Margate is the main holiday resort, accommodating more holidaymakers than residents. The town is also the economic center for the strip of coastline almost completely made up of accommodation, holiday homes and tourist-related establishments. The regional airport is also located in Margate. The coastline of the municipality is also dotted with small towns, many of which serve as seasonal recreational hubs, such as Hibberdene, Shelly Beach, Uvongo, Ramsgate, Southbroom and Port Edward. These towns feature a wide range of tourist-oriented businesses, including restaurants, bars, clubs, movie houses, golf courses, clothing shops, museums, and various types of accommodations.

Blue flag Beaches

Hibiscus Coast Municipality boasts of beaches with international standards accreditation called the blue flag beach managed in South Africa by WESSA. This international recognition uses stringent criteria focusing on critical aspects such as excellence in terms of safety, amenities, cleanliness and environmental standards. The following beaches have been identified with Blue Flag Status along the Hibiscus Coastline:

- Lucien Beach
- Marina/San Lameer Beach
- South Port Beach
- Trafalgar
- Umzumbe/Pumula Beach
- Ramsgate

Agriculture

The municipality is generally characterized by good potential agricultural land that needs to be preserved for food production. There is mixed agricultural practice. Commercial farming is dominated by sugar cane farms and banana plantations along the coastal strip. Sugar cane and bananas are grown at a large scale while cattle rearing, macadamia nuts and vegetable growing are in small holdings. Subsistence farming (maize growing, amadumbe, beans and sweet potatoes) is practiced mainly in the hinterland where by families grow for consumption. There is a small scale growth of sugar cane farming in the interior, practiced mainly by emerging Black farmers. Seasonal rains, steep topography, poor infrastructure and lack of new scientific methods of ploughing are some of the shortfalls these farmers experience.

Infrastructure

The municipality is fairly covered with sound soft and physical infrastructure and as a result most services are easily accessible to all residents albeit at varying scales with rural residents struggling to some extent. The point is that, compared to other rural areas in the region and the other sister municipalities of Ugu, accessibility of our rural population fairs well. However, the maintenance of such infrastructure is what is posing most challenges. There is quite good telecommunication network coverage although more still needs to be done to reach world standards. There is a serious problem of aging infrastructure especially on roads manifests itself in too much potholes. However, there is effective programme to ensure all roads are in safe driving conditions. The railway infrastructure linking HCM to Umdoni is non-functioning.



The Umzimkulu River Bridge

Municipal Governance

HCM is led by Her Worship, Madam Mayor, and full council which consists of fifty eight councilors has been established of which twelve of these are Executive Committee members, (EXCO).

The Municipality's administration is headed by the Municipal Manager assisted by six Heads of Departments who administer the six departments.
The municipality comprises of six portfolio committees which serve under each Department of the six departments.

Table 2: Portfolio Committees and their Departments

Portfolio Committee	Department
Community Services Portfolio Committee	Department of community Services (DCOMMS)
Corporate Services Portfolio Committee	Department of Corporate Services (DCS
Strategic Planning and Governance Portfolio Committee	Department of Strategic Planning and Governance (SPG)
Human Settlement and Infrastructure Portfolio Committee	Department of Human Settlement and Infrastructure (DHSI
Planning, Building control, Economic Development and Tourism Portfolio Committee	Department of Planning and Economic Development (PBCED)
Finance and Budget Portfolio Committee	Department of Treasury (CFO)

Public Safety

Strategies are in place aimed at addressing crime at all levels and all communities in a short and long term basis. HCM crime prevention strategies are aligned to the National and Provincial crime and prevention strategies. Policing is highly visible especially in public places and places of entertainment. This is to some extent because the municipality also provides complementary policing services. Besides, SAPS fairly covers the area in terms of police stations although resources in terms of personnel and patrolling vehicles is a problem. In deep rural areas, there is very little police visibility.

KZN Priority Goals

Hibiscus Cost Municipality has geared itself to align with economic advantages and competitiveness that are identified in the Provincial Growth and Development Strategy (PGDS). The Municipality is accountable to its communities.

Other Issues

Other than social ills, there are health issues as well that need to be addressed such as child mortality rate, malnutrition and HIV prevalence which have posed as serious threats to communities at large.

There are programmes in place aimed at eradicating poverty. Communities are being capacitated through the LED initiatives. The municipality has a number of health care centres which operate efficiently. However, there is still a shortage of health facilities as some communities still do not have access to them. This is more prevalent in the rural areas. Being a municipality within a district with a high prevalence of the pandemic disease (HIV and AIDS), the Health Department has programmes in place in its two major hospitals to address this. It should be noted that a large proportion of the population of Ugu as a whole is with limited skills and low education levels

Key Challenges

The municipality's mission states that it strives to excel at providing quality services for all, facilitating partnerships and creating an enabling environment for sustainable development. However, it must be noted that there are key challenges that affect the good intervention of the municipality. There are also opportunities within the municipality that will further enable it to grow and these need to be unlocked. Also are challenges that we need to take into cognizance of in the whole municipal planning and development. These challenges include:

- Unemployment
- Poverty
- Inequality
- Access to clean water, housing and electricity
- Informal settlements
- Lack of development in the hinterland
- Emerging small commercial farmers

These key challenges will be unpacked and further discussed later in the document under each Key Performance Area. They will be further detailed as to how each challenge is being addressed by the municipality. It should be noted that the municipality is aligned to the National, Provincial and District Strategies.

South Africa is a signatory of the Millennium Development Goals (MDG), and our municipality's initiative is aimed at attaining all goals set. HCM has programmes aimed at stimulating new economic development potential in the hinterland areas and also the integration of urban and rural economies. The emphasis on the improvement of areas previously disadvantaged in relation to developmental interventions and services while at the same time being directed to increasing economic growth. There are improvements of linkages from the existing inland activity areas to the major activity corridor along the coast,

potentially introducing a series of linkages. The municipality is putting more effort into ensuring that service delivery is its key priority to enhance the standard of living in all communities.

Goals and objectives

Strategies and Objectives have been developed to promote economic and social development aimed at providing job opportunities and reduce poverty levels. These are discussed in detail in chapter 2 of this document. HCM has set the following strategic goals in order to guide the process of moving progressively towards the attainment of the long-term vision:

- Create employment opportunities.
- Alleviate poverty and promote socio economic development.
- Create opportunities for youth and women empowerment.
- Support cooperatives and SMMEs, create opportunities for growth.
- Provide direct strategic support to key economic sectors while promoting new economic sectors.
- Drive comprehensive rural development.
- Address infrastructure backlog and unlock latent economic development opportunities

How the IDP was formulated

Section 28 of the Municipal Systems Act of 2000 (MSA) stipulates that the Municipal Council must adopt a process to guide the planning, drafting, adoption and review of its IDP. HCM adhered to this as its 2014/2015 IDP Process Plan was adopted in August 2014 by Council and submitted to Cogta.

The IDP has an action plan that has timeframes. Each phase has a budget allocated to it as well as deliverables. Responsibilities are assigned per phase to relevant officials, Representative Forum and Council. (See attached process plan)

Invitations via the media for members of the public to register their interest to participate as different interest groups as well as give direction in terms of Institutional Arrangements, Mechanisms and Procedures for Participation and Alignment, IDP Review Action Programme and break down the Roles and Responsibilities are practiced. The approach adopted in the preparation of the Review IDP 2015/2016 is strongly guided by the guidelines prepared by KZN COGTA as set out in the IDP guide packs and the IDP simplified format. The IDP is in line with the Department of Co-operative Government and Traditional Affairs Guideline for IDP's 2007 / 2008 and beyond.



Organizational Performance Management Framework

The municipality has developed its SDBIP to fulfill both the requirements of the Municipal Systems Act and the Municipal Finance Management Act. The Framework provides indicators, under each focus area that an IDP must respond to. Importantly, this analysis to strategic programmes and project development, also presents a discussion about the importance of linking planning, budgeting, and implementation, monitoring and reporting. It also outlines a process to be followed to ensure proper linkage of these processes to ensure effective implementation.

CHAPTER 1: STATUS QUO ANALYSIS

1.1 Demographic Characteristics

1.1.1 Population Profile

Hibiscus Coast Local Municipality (HCM) falls under Ugu District found in the Southern part of KZN. The municipality borders the Indian Ocean and a vast hinterland rural area. Other Local municipalities under Ugu District Municipality are: Umdoni Municipality, Vulamehlo Municipality, Umzumbe Municipality, Ezinqoleni Municipality and Umuziwabantu Municipality. Amongst these locals, HCM has the highest population of 256 135, Ezinqoleni Local Municipality with the lowest at 7.3%of district population. HCM is ranked number four amongst all the local municipalities in KZN.

In terms of population percentage, the municipality stands at 35%, and experiences the highest level of urbanization, as well as offering quite a number of job opportunities both in the formal and informal sector. Most economic activities are found in the small towns doted along the coastal belt. This has resulted in a steady influx of people mostly from nearby rural areas as well as neighboring municipalities, also the Eastern Cape Province. Quite few people come from other parts of the country. This influx of people has also resulted in overcrowding and shortage of housing. This is evident from the constant growth of shacks in the informal settlements found in the peripheries of both Margate and Port Shepstone. Also, this is evident in the sugar cane plantation informal settlements.

Umdoni local municipality is second after HCM in terms of urban migration statistics in the district. There are different perceptions to this; people settle there for a number of reasons, which include the proximity to Durban where there are lots of job opportunities. Umdoni has small coastal towns which offer employment as well. Ezinqoleni municipality according to the 2011 SA statistics, has the lowest population, 7.3% (52 540). The municipality is in deep rural area and there are scarce job opportunities which may be the contributing factor that has led to the low population. The table below gives a detailed history of population percentages per Local Municipality.

Table 3: Population percentage per Local Municipality

Municipality	2001		2011	
	Population	%	Population	%
Hibiscus Coast	217 824	30.9	256 135	35.5
Umzumbe	193 768	27.5	160 975	22.3
Umuziwabantu	92 327	13.1	96 557	13.4
Umdoni	62 375	8.9	78 875	10.9
Vulamehlo	82 961	11.8	77 403	10.7
Ezinqoleni	54 774	7.8	52 540	7.3
Ugu	704 030	100.0	722 484	100.0

Stats SA 2011

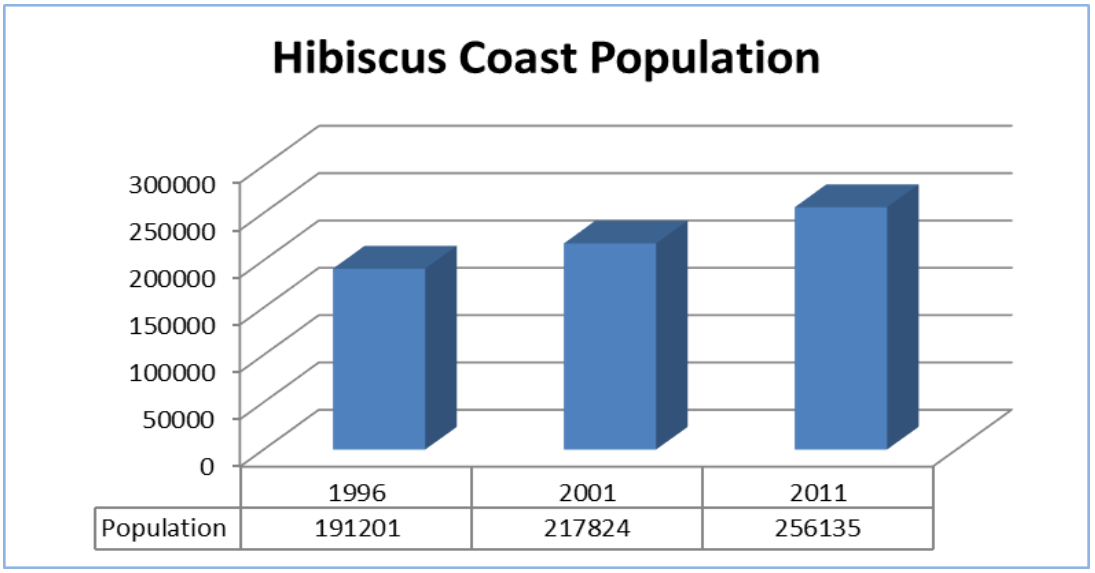
According to Stats SA 2011, Hibiscus Coast Municipality currently has an estimated population of 256135. The majority of the population comes from the African community, followed by the White community, the Indian community and lastly being the Coloured community. Between 1996 and 2001 the population increased by 26 623 people and between 2001 and 2011 there was an increase of 38 311 people. From these observations, it can be concluded that there has been a steady population growth in the municipal area.

This point is substantiated by the population decrease in surrounding rural municipalities of Ezinqoleni and Umzumbe municipalities. The former dropped from 7.8% to 7.3% of the district population and the latter dropped from 27.5% to 22.3% while Hibiscus Coast municipality increased in the same period from 30.9% to 35.5%.

1.1.2 Population Growth

Following is a population increase of HCM between 1996 and 2011, shown in a graph. The population increased drastically since 1996. Other than the growth through births, migration from areas outside the municipality including the neighboring Province, the Eastern Cape, were some of the contributing factors towards this drastic growth. HCM was seen as the economic hub for all these people. 2011 statistics reveal that 64708 of the people residing within the municipality were not born in the Province. 38105 were born in other provinces while 5533 were migrants from outside South Africa.

Graph 1: Hibiscus Coast Population



Growth from 1996 to 2001
13.9

Growth from 2001 to 2011
17.6

Stats SA Census 2011

The following table shows a growth rate over 15 years in the municipality.

Table 4: Population Growth

YEAR	5 YEAR GROWTH RATE	10 YEAR GROWTH RATE	15 YEAR GROWTH RATE	ANNUAL GROWTH RATE
1996 - 2001	13.07%			2.6%
2001 - 2011		17.4%		1.74%
1996 - 2011			32.75%	2.18%

Stats SA Census 2011

1.1.3 Municipal intervention on High population growth

Due to the steady population growth over the years, there have been some interventions by the municipality in terms of job opportunities through its Local and Economic Development initiatives as well as the private sector.

According to the State of the Nation Address, a high population is a threat to growth and development and results in extreme poverty. HCM, through its LED initiatives, has programmes aimed at addressing unemployment. The municipality also is adhering to the National Development Plan (NPC 2030 Vision) whereby priority areas include addressing unemployment and uplifting rural economies. There has been, over the past few years, a number of jobs created in rural areas. However, it must be noted that this seems to be an endless problem for the municipality as statistics indicate that there is continuous steady influx of job seekers throughout the year.

The high rate of youth unemployment in the municipality is a major concern. According to the World Bank on youth unemployment, more jobs need to be created and a dual labour market created. The municipality has created a number of partnerships with stake holders, both private and public to combat this problem. Skills development initiatives are also some of the programmes the municipality has implemented where by the youth is capacitated in many forms. The National Government Programme of Action 2009-2014, clearly states that economic growth should be sped up and transforms the economy to create decent work and sustain livelihoods. The municipality is in line with this action as its economy is steadily growing and there are ample of job opportunities.

The following table indicates how HCM rates against Ugu District. It must be noted that the municipality being the highest in terms of population, the ratings there for are high as well. Amongst the ratings, the dependency ration is high and currently stands at 55. There are a number of vulnerable groups within the municipality and solely depend on Grants.

The table below indicates the Hibiscus municipality rate against the whole Ugu District. What is noticeable is the high percentage (64.5%) of working age group within Hibiscus Coast, and this is between the ages of 15-35 years. This is indeed an indication that Hibiscus Coast is the economic hub of the district with job opportunities. Despite the positive outlook of the municipality, it is still faced with high levels of unemployment, more especially amongst the youth, and there is poverty and little diversification in the economy. Also what is noticeable is the high youth (15-35 years) percentage which is 39%. According to Stats SA 2011, findings show that Hibiscus Coast is a municipality with a very high number of youth as compared to the other age groups and the dependency ratio is also high and unemployed. The elderly and infants is the most vulnerable group and highly depend on Government social grants. An overall picture that can be drawn about Hibiscus Coast municipality's ratings as listed below is they are very high. The municipality has considered a range of documents to address the challenges it faces, to mention but a few, youth unemployment, poverty, shortage of housing.

Table 5: HCM Rated against Ugu

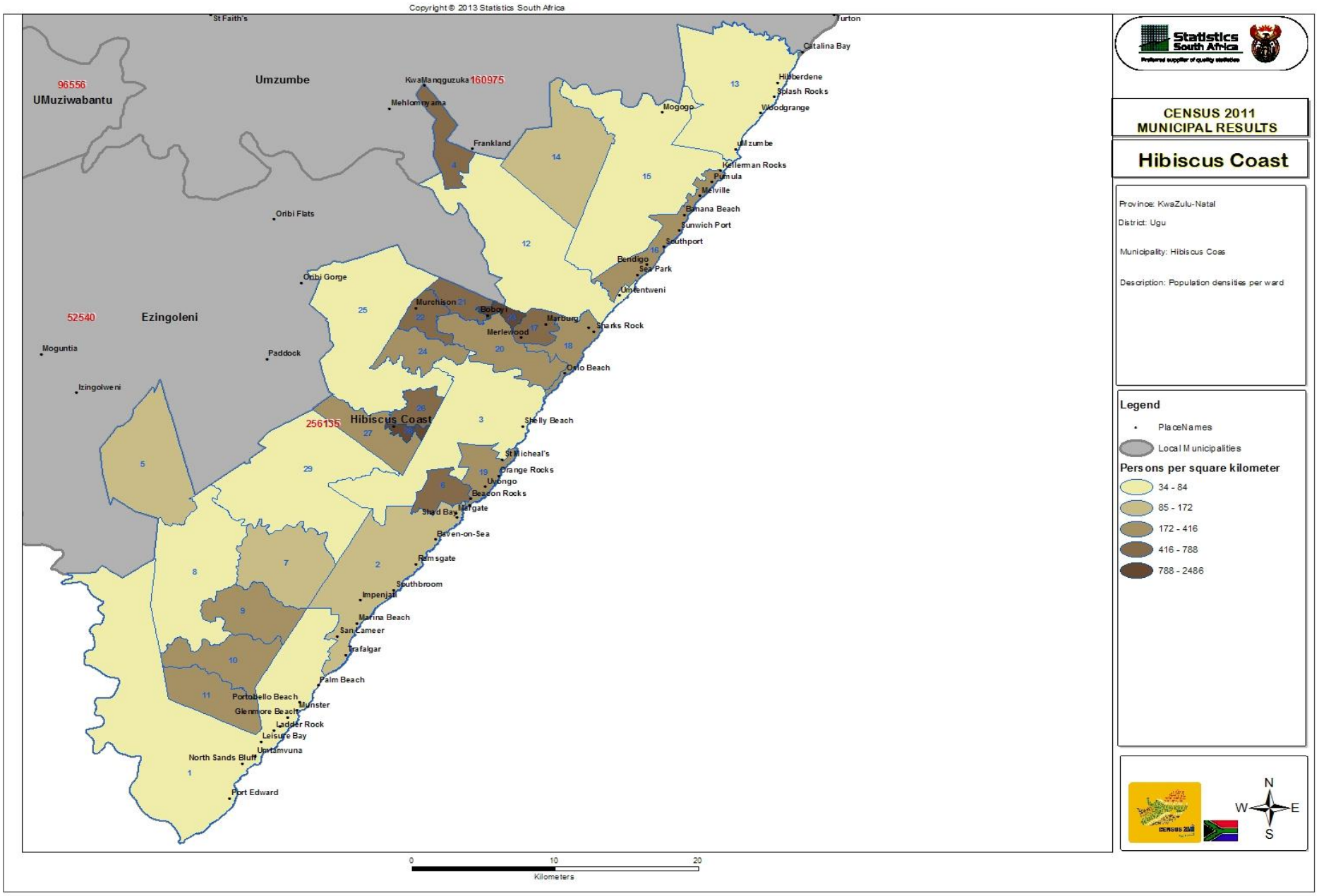
Population	Ugu		Hibiscus Coast	
	72248	7%	256135	35.5%
Infant (0-4)	88077	12.2%	27015	10.5%
Working age (15-64)	43408	60%	165344	64.5%
Elderly (65+)	47901	6.63%	18532	7%
0-14	24050	33%	72259	28%
Youth 15-35	26597	36.8%	100341	39%
Sex Ratio	88	53%	98 89	52%
Dependency Ratio	66		55	

Stats SA Census 2011

1.1.4 Population Density

The Population Density Map below shows the population distribution throughout HCM in terms of the number of people per square kilometer. This information draws attention to the service provision needs linked to population density. Dense population is mainly along the coastal towns where economic activities take place; however, rural hinterland has a fairly high population as well. It must be noted that HCM has an evenly distributed population throughout, thus even rural hinterland has such mentioned population. One factor contributing to a fairly high population in such areas is that HCM has a range of slopes, steep to flat, but mainly most areas have flat slopes enabling people to build their homes, thus not many people migrate to urban areas. Also, good road linkages make it easier to link rural areas to urban areas where economic activities take place. The high population density has had implications on the economy though.

Map 3: Population Density



1.1.5 Population by home language

IsiZulu is the most commonly spoken language in the Municipality and stands at 71%. This is attributed to the fact that the Municipality is in KwaZulu Natal Province and this province is home to isiZulu speakers. English is the second most popular spoken language at 14%. The least spoken language is Sepedi at 0.18 %.

Table 6: Home language percentage

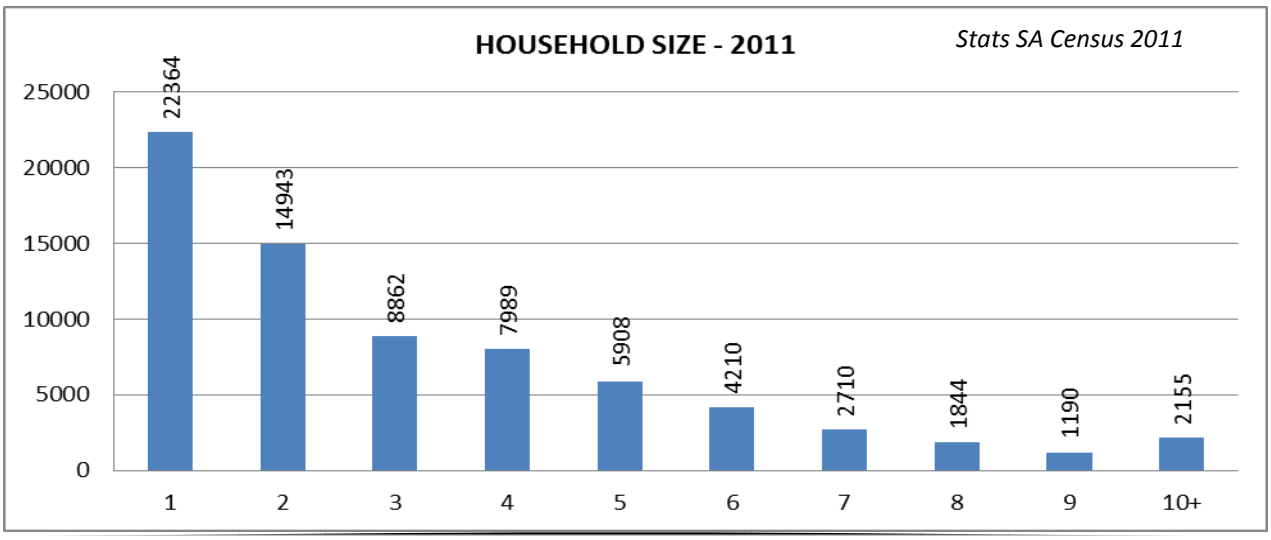
Language	Population	% language/ population
Afrikaans	11363	5
English	35545	14
IsiNdebele	2258	1
IsiXhosa	19336	8
IsiZulu	177199	71
Sepedi	462	0.18
Sesotho	811	0.32
Setswana	1174	0.46
Sign language	978	0.38
SiSwati	114	0.045
Tshivenda	113	0.045
Xitsonga	130	0.051
Other	1294	1

Stats SA Census 2011

1.1.6 Household Size

The entire number of households at Hibiscus Coast Municipality stands at 72 175. The majority of these households comprise of one member and very few households have above seven members. The graph below shows the distribution of household sizes ranging from one member in a household to above ten members in some households.

Graph 2: Household Size

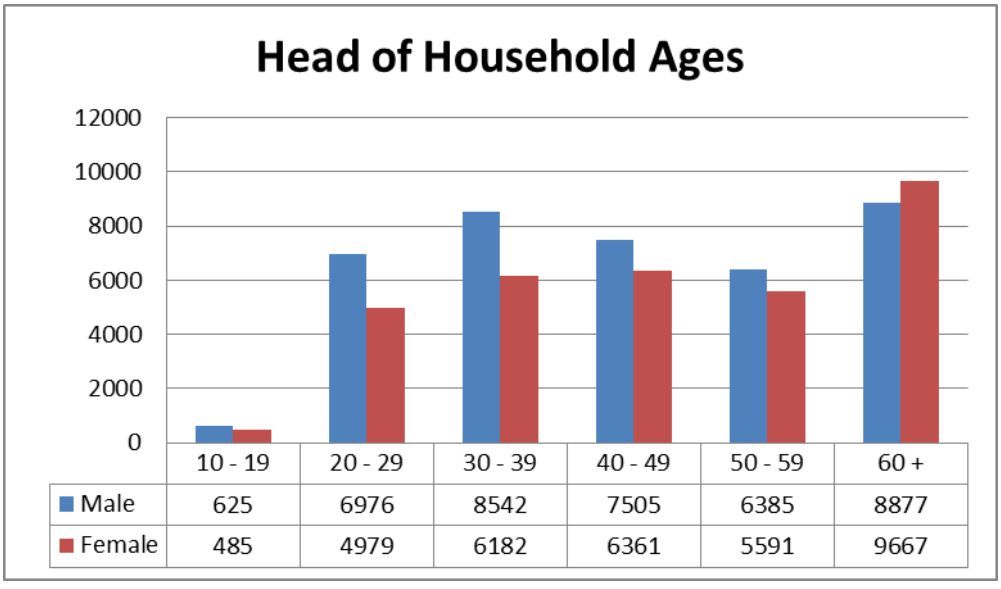


As can be seen on the graph in the previous page, the municipal area is dominated by one room households and this correlates with the number of people within households as the statistics show that majority of the households have one member. There are very few households with many rooms. If the number of rooms are distributed as per the household size (e.g. 1 room = 1 person) then that means there is sufficient housing within the municipal area. However if it is the other way around i.e. the number of rooms distributed per income levels e.g. 3 people of high income live in an 8 room house and 6 people of low income live in a 1 or 2 room house, then this means that there is a dire need of housing within the municipal area. Noticeable in the graph is that approximately 50 000 households have 4 rooms and below and this indicates a high poverty level.

1.1.7 Household Head by Age

Most households are headed by female adults and to some degree, senior citizens between the ages of 60 and 82 years. There are households also headed by children as young as 10 years old and this can be roughly estimated at 35%. The percentage may seem small, but one child headed household is one too many, and these are special cases which will need to be dealt with in generalized manner but very household specific. Programmes such as Sukuma Sakhe have, however, been useful in identifying these. There are high levels of dependency amongst these households and the municipality has measures in place to try and curb it. The municipality is in line with the Ugu District Growth and Development Strategy whereby it states that such vulnerable groups are need to be taken care of as it shows that there has been a high level of exclusion. Below is a graph showing this information. It should be noted that there are households that are also elderly headed, above the age of sixty five.

Graph 3: Household head by Age



	10 - 19	20 - 29	30 - 39	40 - 49	50 - 59	60 +
Male	625	6976	8542	7505	6385	8877
Female	485	4979	6182	6361	5591	9667

Stats SA Census 2011

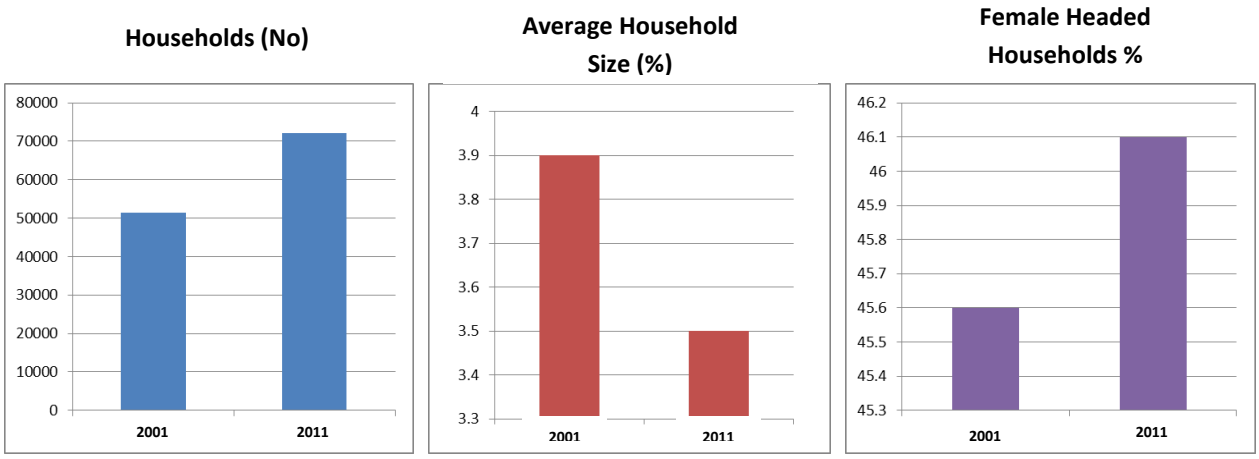
1.1.8 Household Head by Gender

Table 7: Female Headed Households

Households (No)		Average Household Size (%)		Female Headed Households %	
	2011	2001	2011	2001	2011
51404	72175	3.9	3.5	45.6	46.1

Stats SA Census 2011

Graph 4: Household by Gender



The first graph indicates the overall household number in the entire municipality between 2001 and 2011. It must be noted that there was a drastic increase in the number of households by 21 000 between the two years. The second graph shows the percentage average household between 2001 and 2011. In 2001, the percentage was 3.9% and by 2011 had decreased to 3.5%. This may be due to socio economic factors which amongst many is that people moved out of their homes in search of job opportunities and started owning their houses. The last graph details female headed households percentage. There was an increase of females heading households in 2011 as compared to 2001. This may also be due to social implications, amongst which; male migration to bigger cities in search of greener pastures.

The overall picture drawn from the above information is that, out of the 72 0000 households within the municipality, a high percentage of these is female headed.

1.1.9 Women Empowerment Initiatives

Many households are female headed especially in rural areas, and in many instances most of these women are unemployed and depend on social grants. Strategies on poverty alleviation are in place. The municipality has adhered to the Provincial Growth Development Strategy which states that the quality of life for all in the Province be improved. The municipality has done this through different initiatives such as the Rural Women Projects Empowerment initiative where by rural women are taught skills to enhance their livelihoods and those of their families. These projects are aimed at alleviating poverty at the same empower women with different skills. This initiative is done in partnership with the private sector. This adheres to the call by the Premier in his SONA, February 2015, calling for partnership between public and private entities to grow the country's economy to sustain livelihoods.

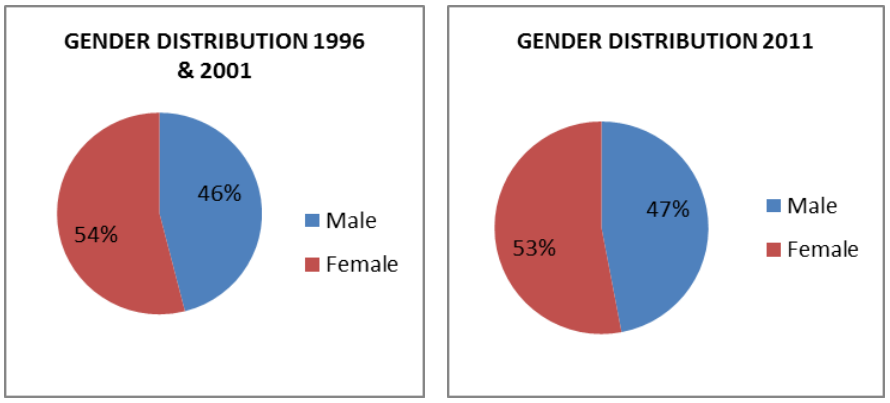
1.1.10 Gender/Race Population Distribution

The population is evenly distributed throughout the municipality. The number of African population is the highest and distributed throughout the wards, however, wards along the Coastal belt, which are urban, ward 2, 16 and 19, have a high concentration of white population. Ward 17 in the greater Port Shepstone area consists of more Indian population.

Ward 2, which is between Marina Beach and Ramsgate, consists of many females than males. This is due to the fact that these areas are urban residential and many hotels are doted along there, so the workforce in such places is usually females who work as domestics. Ward 16 is between Umtentweni and Sunwich Port. Also here the number of females as compared to males is higher and this may also be attributed to the fact that these areas are predominantly residential and so the workforce is female who work as domestics. Ward 19 has more females as compared to males as well. Ward 17, as mentioned earlier has many Indians than any race, with many females than males. Ward 1, 3 and 13 is the other way round; there are more males than females. These wards are highly economically active with many industries and this may be one reason why there is a high influx of males.

Below is an illustration of gender distribution in a pie chart form.

Graph 5: Gender distribution



StatsSA
2011 Census

Between 1996 and 2001 census, 54% of the population were females while 46% were males; however the 2011 statistics show a 1% male increase in which added to 47% and female decreased by 1%. A conclusion that can be drawn is that there are more females than males at HCM. As per the Millennium and Development Goal Strategy, (MDGS), women need to be empowered in order to sustain both their families and livelihoods at large. HCM is in line with this strategy as initiatives are in place where by women more especially from rural areas are equipped with different skills to run their small businesses.

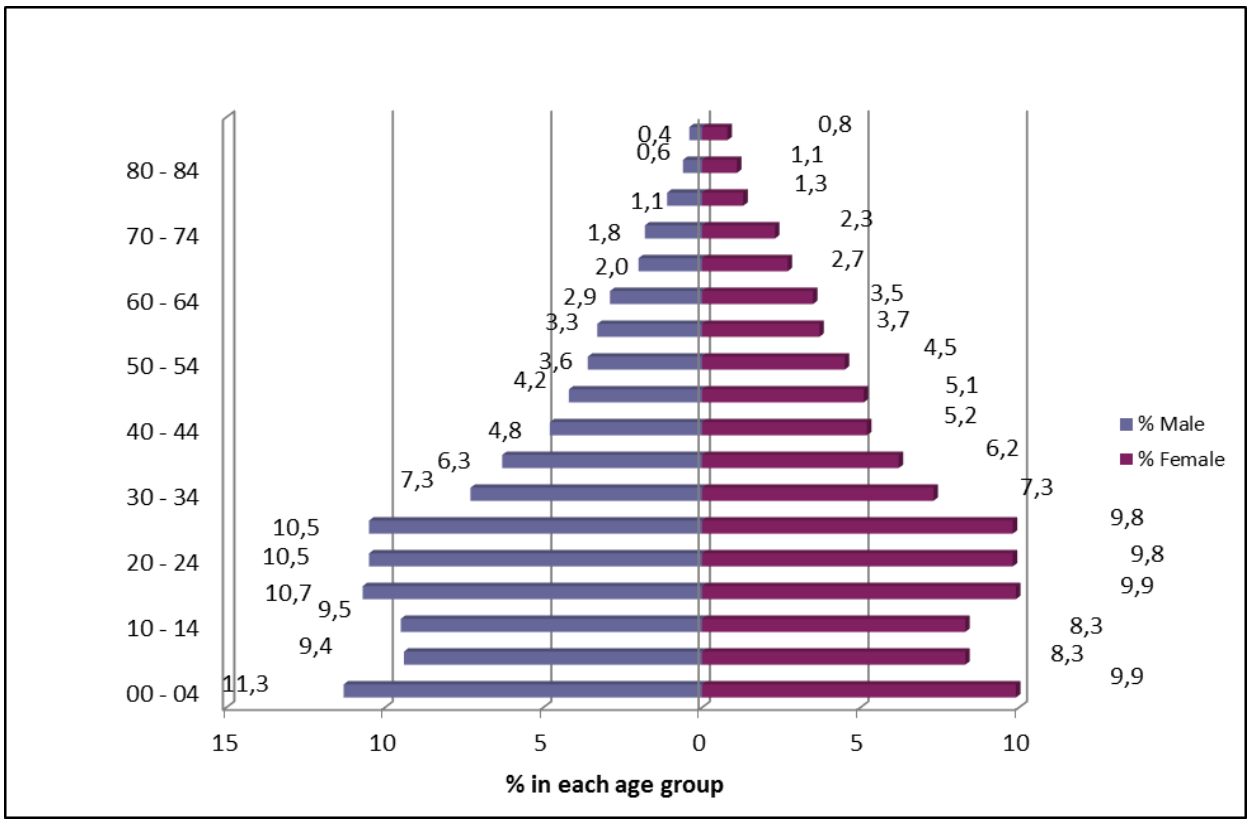
This initiative is run by the Local Economic Development. Also in place is the South Coast Women Business Forum initiated by the Mayor where by local business women share ideas on how to empower each other and above all how they can grow bigger their businesses thus enabling others job opportunities. This initiative is still in its early stages, but due to the membership it has and the initiatives forward by the members, it looks certain that it will be very successful. Also, many females have been encouraged to form Cooperatives and SMMEs.

1.1.11 Population pyramid (Age) by gender

The municipality is made up of a relatively young generation below the age of 35. This is the age group that is dominant in the municipality as it comprises of school going children, students, and young working adults, and unemployed as well. 65+ is represented by a high % of females vs males. When one looks at the graph below, it indicates that the number of baby boys given birth to is higher as compared to baby that of baby girls. The percentage is 11.3% males and 9.9% females between the ages of 0-4. However, it must be noted that as the male generation grows older, they decrease in numbers as compared to females. This may be attributed to the fact that men take long to attend to illnesses and by the time they do, it is too late and succumb to death. Also, it must be noted that a number of males are migrant workers; working in mines in most instances, and this later has an effect in their health which contributes to a number of illnesses such as Tuberculosis which also go uncured for long periods. Whatever the causes, one thing clear is that men's lifespan is shorter than that of women at HCM. In most instances, due to unemployment, men who reside in poor rural areas and slums are prone to a number of diseases such as HIV and AIDS, Heart attack etc.

The working age at HCM is between 18-64years, and makes 33% of the total population while the elderly make a very little percentage, 4%. The 33% consists of more males than females as statistics indicate. The elderly who make up the 4% is predominantly females. Below is a graph with statistics of the mentioned information.

Graph 6: Population Pyramid (Population by gender)



Stats SA Census 2011

1.1.12 Dependency Ratio

Ugu District Growth and Development Strategy highlights that the dependency ratio within the district is quite high and there for clustering of social and economic services within rural nodes and corridor must take place to consolidate development. HCM has adhered to this as initiatives to develop rural nodes are afoot. For Example, the Gamalakhe shopping complex is at its last planning stage. There are also plans to develop other rural areas. The Izotsha corridor has been developed and more development is still yet to take place. All this is done in the name of economic development whereby job opportunities are created thus curbing poverty and dependency ratio.

Dependency ratio declined in 2011 as compared to 2001; however, the number remains high. This may be attributed to the fact that there were more job opportunities as compared to 2001. To decrease the dependency syndrome, the municipality through its LED initiatives, has played a significant role in empowering communities through programmes such as Sukuma Sakhe and One Home One Garden.

Table 8: Dependency Ratio

Dependency Ratio per 100(15-64)		Sex ratio		Population Growth (% pa)	
		Males per 100 females			
2001	2011	2001	2011	2001	2011
62.6	54.9	86.4	89.7	2.61	1.62

Stats SA Census 2011

Table 9: Demographic Characteristics - Key Findings

Key challenges	Description
1.High population Growth	The municipality is experiencing a steady influx throughout the year from neighboring municipalities and Eastern Cape Province. This has resulted in both high crime, lack of basic social amenities, diseases due to overcrowding in informal settlements. This has also resulted in a strain in the economic sector.
2.Child headed families	Due to economic, social and health issues, many families are left looked after by children below the ages of ten. This has further resulted in a high dependency ratio within the municipality.
3. Poverty	This is enemy number one. In as much as the municipality is ranked number one amongst the other five local municipalities in terms of economic services, poverty is still high. This is due to unemployment which is also attributed by the fact that many people lack the necessary expertise to be employed. Many people on the other hand are employed in the informal sector with very low wages yet they have many members in the family to look after.
4. Inequality	Inequality is rife in the municipality. There is a wide gap between the rich and the poor.

1.1.13 Population Profile

Hibiscus Coast has a total population of 256135, making it the leading municipality in terms of population under the Ugu family of municipalities. Due to the high population growth within the municipality, it must be noted that the number of unemployment is high, more especially amongst the Black race. Following is a table analysing the Hibiscus Coast Municipality in terms of its youth, working age, the elderly, sex ration as well as the dependency ratio against the Ugu District.

Since there is intergovernmental relations in all spheres of Government, this analysis is aimed at ensuring that both National and Provincial outcomes are addressed at Local level thus ensuring that programmes in place address all the needs of communities to sustain their livelihoods as mentioned in both documents.

Table: 10 Total population: Young, Working Age and Elderly

Population	Ugu	Hibiscus Coast
	722484	256135
Young (0-4)	88077	27014
Working age (15-64)	434080	165344
Elderly (65+)	47901	18532
0-14	240503	72259
Young (0-4)	18%	5%
Working age (15-64)	87%	33%
Elderly (65+)	10%	4%
Sex Ratio	97	98
Dependency Ratio	66	55

StatsSA Census 2011

Population Profile

A conclusion that can be drawn from the table above is that, the municipality has a very high percentage in all the categories which of course has resulted in a negative effect in the economy growth. The Department of Social Development has programmes implemented to curb the situation more especially in the dependency ration. The dependency ratio is quite high due to a number of social factors which includes amongst others, death of parents due to the high pandemic disease, HIV/AIDS and the children are left with either their grandparents or by themselves. Hibiscus Coast Municipality has a relatively young population in terms of age thus it should also be noted that the working age group, (15-64) which is 33% against the 87% of the whole District is relatively high. In as much as the working age group is high, it again should be noted that there is a high percentage of unemployment in the municipality. This will be further discussed under unemployment breakdown.

1.1.14 Conclusion

From the above analysis, it is evident that Hibiscus Coast Municipality is facing a number of challenges which amongst some, child/elderly headed households, poverty, inequality, high unemployment and crime can be mentioned. However, programmes and projects aimed at addressing these issues are being implemented, amongst which poverty alleviation amongst the rural communities and unemployment takes precedence. In as much as the municipality is the economic hub of Ugu District, unemployment rate is still an issue, more especially amongst the youth considering that the municipality highly consists of them. The municipality is also facing the issue of high dependency rate. Many households depend on grants and in most households this is not sustainable. The municipality through its LED, has over the years implemented programmes aimed at enhancing communities' livelihoods to curb the dependency syndrome. Such projects include amongst others, One house One garden, Sukuma Sakhe, etc.



Crime is high in urban areas. Poverty and inequality is rife. Health issues cannot be addressed if poverty is not vigorously tackled as it is a major driver of diseases and it's a known fact that the biggest enemy of health in the developing countries is poverty.

1.2 Local Economic Development and Social Development Analysis

Local Economic Development throughout South Africa has been important where uneven spatial planning has taken place due to past unjust planning. It is a broad strategy in which local actors and institution try to make the best use of local resources in order to create, strengthen and conserve jobs activity. As per the National Spatial Development Plan (NSDP), there should be rapid growth that is sustainable and inclusive for the achievement of poverty alleviation. Hibiscus Coast is in line with this plan and as a result, a number of economic growth initiatives have been successfully implemented to combat the issue of poverty throughout the municipality.

The Premier in his State of the Province Address, February 2015, mentioned that there is now consensus amongst them including in business that the NDP is the blueprint to grow our economy, there for call on private sector to join forces with government in implementing common areas of agreement in the NDP. In order to grow the wider economy, it needs to start at the bottom amongst municipalities and grow wide nationally. Hibiscus Coast Municipality pioneers that all private sectors join forces with the municipality to implement what is required as per the NDP. A number of private companies locally have partnered with the municipality to grow the economy and thus providing jobs. This initiative has seen the economy of HCM growing over the years. The municipality is therefore compelled to focus on local value addition and beneficiation and to increase its expenditure on infrastructure development if it is to break this cycle of depending on National Government for grants.

1.2.1 Local Economic Development Analysis

The South African legislative framework envisages South Africa being a developmental state and as a result its local government sector also being positioned to be developmental local government. Transformation and growth of local economies becomes a critical element of the developmental state. The National Development Plan makes a case for this focus arguing that it is fundamental to ensure social cohesion. In other words, the social stability of the country is at risk unless there is some meaningful transformation and growth of the economy. The Hibiscus Coast municipality respects this mandate recognizing the nobility of its objectives. To this end, the municipality has developed a Local Economic Development Strategy which talks to amongst others: removing blockages and obstacles, identifying economic development opportunities, area marketing and promotion, and providing support (technical and otherwise) to local business.



The Provincial Spatial Economic Development Strategy (PSEDS) identifies Port Shepstone as a Secondary Node in the provincial context and the eThekwini – Ugu Corridor as a primary corridor. This corridor is at the same level as the extremely strong and growing eThekwini–Umhlatuze and eThekwini–Msunduzi Corridors. PSEDS confirms the tourism potential of the South Coast Region as established in the Provincial Tourism Strategy.

Local economic development is one of the municipality's priorities in line with the national key priorities. Strategies have been developed to promote economic and social development aiming to provide job opportunities and reduce the poverty levels. Generally, HCM is the most concentrated economic hub within Ugu District municipality with the main economic sectors being tourism and agriculture with some manufacturing occurring in Port Shepstone. As an economic hub, HCM has advantage of influencing the Ugu Region's economic potential, policies and development programmes. Port Shepstone is the major economic hub in the south coast and serves as the administrative centre for both HCM and Ugu District. The municipality has a local economic development plan in place which is aligned to the Ugu District Municipality's LED strategy.

LED is intended to maximize the economic potential of the municipality and, to enhance the resilience of the macro- economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development. As such, the need for an LED Plan in the Municipality goes beyond meeting the constitutional and legal obligations, and encompasses the practical implementation of programmes designed to stimulate economic development, economic transformation and social upliftment.

Economic development issues facing the HCM are both structural and fundamental.
Addressing these issues requires the municipality to adopt a strategic approach focusing mainly on aspects that will yield a higher impact.

The strategies identified with a view to implement the vision as formulated above are:

- Optimal use of resources the municipality and other government agencies has access to and controls
- Establishing planning frameworks and governance systems that support Local Economic Development.
- Providing strategic support to key economic sectors.
- Marketing the opportunities available in Hibiscus Coast
- Facilitating the implementation of bulk infrastructure projects to unlock economic development potential and opportunities.



Economic Sectors include the following

- Tourism (Coastal strip) major potential in rural areas)
- Agriculture (vast arable land in rural)
- Manufacturing (Marburg)
- Mining/ quarrying (small scale)

Although 60% of manufacturing businesses are located in the Port Shepstone/Marburg industrial area, it is important to note that a third of the manufacturing businesses also relate to Margate suggesting that this area should receive some prominence in terms of future industrial sector planning. The formal manufacturing sector is limited to the coastal strip and primarily the Marburg and Margate areas. It is not envisaged that the formal large scale manufacturing sector will expand into the rural areas (although development at Izotsha would provide easier access to job opportunities to the rural workforce).

The municipality has channeled adequate resources to the LED department for effective functionality. A number of economic sectors in the Hibiscus Coast over the years have made a major contribution to the municipal economy, viz.

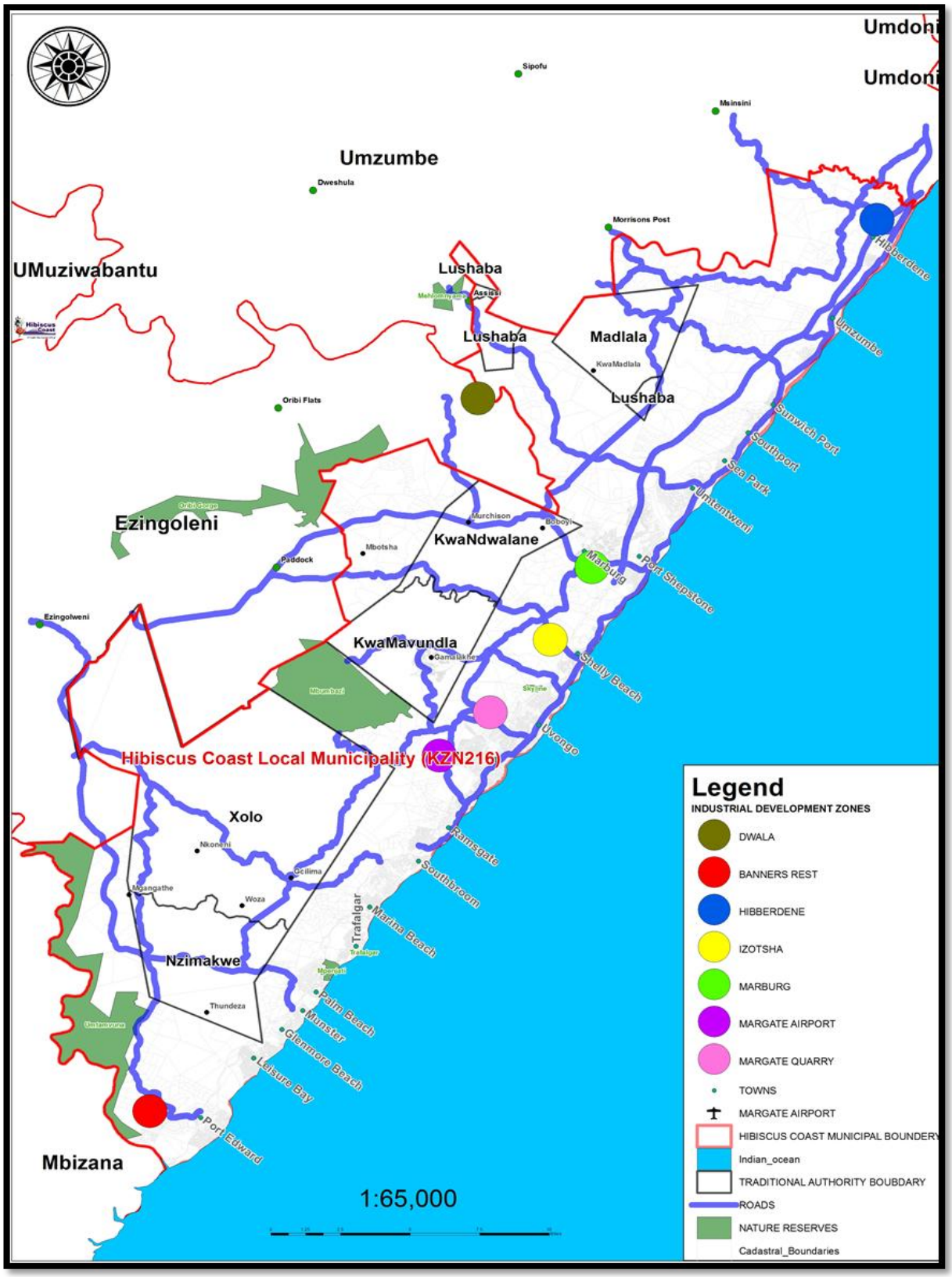
- Whole sale and retail 18.7 %
- Finance and Business Services 21.5%
- Manufacturing 12,3%
- General Government Services 13.3%
- Agriculture and Forestry 8.9%
- Transport and communication 8,9%

Table 11: HCM Industrial Areas

Area	Basic Description	Type of industry
Marburg Industrial	This is the only major industrial zone in the District. It has been developed on the N2 to the south-west of the Port Shepstone CBD. The land is not flat, but the topography is reasonable for industrial development. A large variety of manufacturing and service sector businesses are located in the area.	Most industrial sectors are represented in the area. Furniture, textile and clothing and food seem to dominate. Sizes range from small service industries to major plants.
Margate Quarry Industry	The industrial area is located close to the entrance to the NPC Quarry immediately to the west of the N2 as you approach the Margate turnoff from Durban. The area is separated from neighbouring developments either by the N2 or vacant land	The number of concrete block, brick and moulded concrete block manufacturers benefiting from the location in relation to the Quarry is clearly noticeable. Furniture manufacturers and a church are also housed in industrial buildings.
Margate Airport Industrial	This industrial area is located on the northern end of the runway of the Margate airport. It is located on relatively flat land. The area is home to only a handful of industries	Construction related and furniture manufacturing firms are located in the area.

The map on the following page shows industrial areas within HCM as indicated above.

Map 4: Industrial Areas in HCM



The municipality aims to achieve a rapid economic growth through its growing industry and tourism thus offer sustainable livelihoods and reduce poverty. Some of the primary objectives of the municipality's LED are:

- To grow the economy of HCM by average of 5% in 5 years
- To promote rural development through nodal developments especially for commerce and industries
- To promote HCM as a tourism and investment destination

Through our municipal LED initiatives and programmes, the issue of job creation has been addressed extensively; however, there is still space for growth. The Agricultural sector, for an example, is one of the backbones of the municipality for job creation. Along the coastal belt, commercial agriculture at a large scale takes place. Also, other agricultural activities are found in different parts of the municipality.

The illustration on the following page indicates Goal number one of the Provincial Growth and Development Strategy, PGDS, which talks to job creation, and it must be noted that HCM is in line with it.

Illustration 1: PGDS Goal no.1



1.2.1.1 Transport Sector

The transport sector fulfils an important role in the development of the Hibiscus Coast Municipality. This sector has a number of distinct components for consideration in future economic development planning for the Hibiscus Coast. The key components are:

- Air transport
- Rail transport
- Road freight transport

1.2.1.2 Agriculture

The agricultural spatial plan for the Ugu District Municipality provides a useful oversimplification of the current distribution of agricultural activity in the Hibiscus Coast Municipality identifying the following focus areas:

Thin coastal strip immediately inland of N2: The northern sections of this strip is mainly utilised for sugar cane production. Banana cultivation becomes more prevalent and most intense in towards and around the Port Edward Area.

Inland of Oslo Beach and Margate: There appears to be a large number of poultry farmers and other higher intensity production systems on the roads leading from Marburg and Margate to Izotsha.

The Hibiscus Coast municipality is located along the agricultural/tourism corridor in terms of the PSEDS. The range of agricultural products points to the great agricultural potential of this region, attributed to good climate conditions, soil potential and the entrepreneurial spirit of the people. Following are some of the outstanding features of the agricultural sector:

- A fifth of all bananas eaten in South Africa are produced here
- Sugar cane growing and milling has taken place in the region since the 1890s
- A range of niche market products, such as cut flowers, nuts and vegetables are also produced here
- Livestock farming and poultry farming are extensive together with crocodile breeding
- Timber farming sector produces Pine, Gum and wattle which are processed by some saw mills.

To further stimulate agriculture in the region as a whole, the Ugu District Municipality decided to develop an agricultural market which serves as a focal point for the emerging as well as established farmers alike.

Agriculture in the traditional settlement areas of the municipality is, however, dominated by vegetable production projects and there is approximately 69 such projects inland of the Hibiscus Coast municipality. The Department of Agriculture is also involved in various poultry farming initiatives and this is the most popular activity after vegetable production. An assessment of some of these projects revealed that very few of them are sustainable and profitable. Produce is sold to local communities, informal traders and Ugu Fresh Produce market to a limited extent.

Emerging farmers face a number of challenges which includes amongst others, steep topography, backwards farming methods, poor yields due to infertile soil and lack of financial back up. Specific approaches to identifying and secure land for agricultural development should receive attention. Agricultural sector in the Hibiscus Coast Municipality makes an important contribution to the local economy. The region has become known for specifically banana and nuts and coffee production, whereas timber and sugar cane are also well-established industries.

Large sugar cane growing is located along the coastal strip. It is delivered to the UMzimkhulu Mill. Relatively small areas, mainly in the southern parts of the Municipality focus on banana plantation. This is also the area where nuts and coffee are grown, also in smaller plantations.

The major Agro- processing plants in the municipality are:

- Umzimkulu Sugar mill and
- Ugu Fresh produce market

Potential opportunities for agro-processing include:

- Nut cracking facility: The establishment of a nut cracking facility is an agro-processing opportunity. A number of nut growers in Ugu are currently considering the establishment of such a facility in the vicinity of Margate. Nuts are sent to a cracking plant in Nelspruit.
- Improved utilization of the Margate Airport: The strengthening of linkages between the Margate Airport and the Dube Trade port may open up opportunities for perishable production in the District. Fruit and vegetable processing: Lower grade products and surplus that cannot be accommodated in the new Ugu Fresh Produce Market opens up opportunities for processing.

Macadamias, sugar cane, timber, bananas and vegetables and the development of areas with agricultural potential are seen as areas of potential growth identified.



According to the Provincial Growth Development Strategy, (PGDS), agriculture has a huge potential in the Province, but is declining at an alarming rate, yet it is viewed as key to addressing poverty. This is evident in the municipality as much commercialised agriculture takes place along the coastal belt, while in the hinterland it is mainly subsistence farming and very little commercialized farming. In as much as there is such farming along the coastal belt, over the years it has shown a steady decline due to a number of factors. Some of the attributing factors include inconsistent weather conditions and very little Government intervention in terms of funding and this has seen many people losing their jobs resulting in in many uncultivated farms. However, it must be known that the Department of Agriculture recently announced its intervention more especially in commercialized sugar cane farming. Sugar cane produced by small farmers in the hinterland of the municipality is not of the best quality and the yields are small, also resulting in many job losses. Quite often these yields do not meet the standard in the markets out there. In this regard, HCM is experiencing a slight decline in agriculture.

Skills development on emerging farmers is a must as per the State of the Province Address, (June 2014), and the municipality is in line with it. There are a number of workshops that are conducted throughout the municipality by the department of Agriculture to capacitate emerging farmers with an aim of developing and enhancing their skills. Furthermore, agriculture is seen as a key driver and a provider of opportunities for entrepreneurship. More people, especially from the rural communities are getting interested in the agricultural sector, and attend the skills development workshops. Since the lower South Coast has a shortage of land, such issues with the Department of Land Affairs are at an advanced stage where by land claims are being processed and land given back to rightful owners. The sole reason for this move is to enable communities to practice agriculture as a means of living to sustain their livelihoods. The issuing of land in the municipality is in line with the State of the Nation Address, (June 2014) whereby the President stated that 30% of white owned agricultural land will be distributed for sustainable agricultural development.

Furthermore, the PGDS states that to reduce poverty, commercial agriculture must be transformed. This will help provide more job opportunities because agriculture is the major employer in the majority of municipalities and forms the economic sector.

Agriculture is a catalyst for growth and food security' SONA February 2015. The President further stated that they are working with the private sector to develop an Agricultural Policy Action Plan which will bring one million hectares of under-utilised land into full production

over the next three years. HCM, currently, through the Department of Land Affairs is giving out land to people for farming purposes. This is the land that has all along been classified as unclaimed land. More land still need to be given away as the demand for agriculture is mounting. This initiative is going to sustain people's livelihoods at the same time alleviating poverty while offering job opportunities. This is also in line with the District Growth Development Strategy to grow an agricultural economy.

We, as a municipality are working with the private sector to develop an Agricultural Policy Action Plan which will bring many hectares of under-utilised land into full production over the next years.

According to SOPA, February 2015, it is well understood that the agricultural sector is key to ensure food production and security in our Province. We also realise that if these agricultural food security and community upliftment programmes are not commercially oriented, they will not be viable in the long run, and thus they will just not be sustainable. This there for calls for existing mechanization programme which will now see the transfer of government's fleet of tractors to established communal estates where communities will group themselves into cooperatives or community business entities. HCM encourages and this initiative has seen a number of emerging farmers being groomed and assisted with all that they require.

Food insecurity

Food insecurity is one of the major challenges the municipality faces. Communities have been encouraged to have community gardens as well as one house one garden, where they grow food for consumption. The Department of Agriculture is currently making provision of seedlings to communities.

1.2.1.3 Tourism

Tourism is one of the key economic drivers in the municipality. The entire coastline of the Hibiscus Coast is a primary attraction and the Tourism KwaZulu-Natal website lists no fewer than 29 beaches for this part of the Province. A series of coastal villages each with its own character and interspersed by beaches, rocky coves, tidal pools and lagoons set amongst indigenous bushes are the main features of the HCM. It is viewed by some as just a popular holiday destination for domestic tourists, but it is also a preferred retirement location for many South Africans.

In terms of job opportunities, tourism within the municipality has provided plenty. There are, for an example, hotels that have been recently opened, with many people securing jobs. Other tourism attractions such as tour guides, scuba diving and sea trips have too provided many people with employment. Since the South Coast is viewed as a holiday destination attraction, the many accommodation outlets have provided plenty of jobs as well to both locals and people from neighboring municipalities as well as the Eastern Cape.

The municipal beaches offer the ultimate beach holiday destination with all year round beach friendly weather even during winter months. All the beaches offer a safe swimming environment with shark nets, which are serviced regularly by the Natal Sharks Board personnel and in addition life guards are on duty at swimming beaches and in peak holiday periods. In addition to this, surfers can indulge their passion to find that perfect wave while patient fishermen are sure to take home a fine catch.

Beaches

The following beaches have been identified with Blue flag status along the Hibiscus Coastline:

- South Port Beach
- Umzumbe(Pumula) Beach
- Lucien Beach
- Marina / San Lameer Beach
- Trafalgar Beach





Accommodation and competitive advantages

The major concentration of tourism accommodation is in Margate (16%), Ramsgate (10%), Uvongo (9%), Shelley Beach (8%) areas, but areas such as Port Edward and Hiberdene make a substantial contribution. All these places are found along the coastal strip. The implementations of the Port Shepstone Beach Front as well as tourism and eco- tourism development are areas identified as growth potential tourism. Tourism products have been developed over many years and the area is one of the Premier tourism destinations in KwaZulu Natal. The list of competitive advantages as highlighted in the 2014-15 IDP Review bears testimony to this and includes:

- Blue Flag Beaches
- Wild life conservation with Ezemvelo reserves
- Major events such as Ugu Jazz Festival, SA Women Open (European Ladies Tour), Margate Air Show; Africa Bike Week, South Coast Queen, HCM Beach Festival and Easter Adrenalin;
- Fishing and the annual sardine run
- Historical, Religious and cultural assets which provide opportunities
- Sports and adventure tourism including golf and other sport codes
- Premier events such as Africa Bike week , Beach festival, SA women Open (European Ladies Tour), Margate
- Airshow, South Coast Beach, Easter events, and Easter adrenalin

Tourism Attraction

67% of the tourist attractions in the Ugu District are located in the Hibiscus Coast Municipality. These include the following:

Swimming beaches: There are a total of 21 beaches in the Hibiscus Coast municipality which are classified as swimming beaches. There are also accredited Blue Flag Beaches in the municipal area. In South Africa there are currently 36 accredited Blue Flag Beaches for 2012/2013 thus Hibiscus Coast municipality claiming almost a quarter of all blue flags in the country.

Nature based activities: Another important draw card for tourists visiting the area is the natural environment the Hibiscus Coast has. There is an extensive array of botanical features and wilderness areas attracting visitors for bird watching, hiking, walking, picnics and other related outdoor activities. According to the SDF, there are two existing conservation areas within the Hibiscus Coast area namely the Umtamvuna Nature Reserve and the Trafalgar Marine Reserve. There are however nine declared and protected nature reserves of which the majority falls under Ezemvelo KZN Wildlife.

Avi-tourism: Within the HCM is the Umtamvuna Nature Reserve the most popular birding spot but other popular places amongst birders are the Uvongo River Nature Reserve, Mpenjati Nature Reserve and the Port Edward Estuary. According to Birdlife South Africa the nature reserves, dams and estuaries in Ugu have a combined bird list of 386 species and this is over one third of the total number of birds recorded in the Southern African sub- region.

Culture based activities: The Hibiscus Coast area has numerous historical, religious and cultural assets that have potential to be further developed as tourism products. There is a proposal for the KwaXolo Caves Project aimed at attracting tourists to the area. In Gamalakhe, tours to the Tin Town part of the township are offered.

Mission tourism*:* The HCM has various religious assets such as the Albersville Community Church in Port Shepstone that was built in 1959, The Assisi Convert that was built in 1922 and was named in honour of St Francis from Italy; the German Church in Port Shepstone that was built by early German immigrants; The Norwegian Church in Port Shepstone that was built by early Norwegian immigrants, most whom arrived in the area during the 1880's; and the Enxolobeni CP School that is built in the area which used to be the American Board Mission. The mission house and the associated graveyard are still in the area.

1.2.1.4 Popular Events

Popular events such as the Margate Air Show, the Lions South Coast Show and the Ugu Jazz Festival all now form part of the Sardine Festival. These events take place once a year in different seasons. The sardine Festival comprises of many events such as the Golf Challenges. Golf Tourism is probably the second largest tourism product on offer in the municipality and the South Coast is also branded as the Golf Coast of South Africa. This is due to a comprehensive selection of 11 (nine 18-hole and two nine hole) golf courses situated in the southern part of the municipality, at San Lameer. The event is held annually and the Mayor of HCM graces it. This event includes a women's tournament and attracts international players. Three of these courses are rated amongst the top ten courses in the country. Also, the municipality has added another category where by young school going girls from disadvantaged areas are invited yearly to participate in a mini golf tournament. This is aimed at both promoting the sport and teaching the girls the sports' skills. Tourist attraction events include but not limited to the following:



- A number of fun runs, walks as well as a half marathon
- Surf ski, paddling Races
- The Ugu Jazz festival
- The Margate airshow
- Ski boat festivals and fishing competitions
- Mountain bikes

Popular annual events that take place during other periods include the:

- Hibberdene Couta Classic Fishing competition
- Africa Bike Week
- the Port Edward Ski Boat Festival
- Africa Bike Week
- I Beach Festival,
- SA Women Open (European Ladies Tour)
- The Harley Davidson Jamboree that takes place at Margate.

1.2.1.5 Property market

Many people find the coastal belt of the municipality very attractive due to its beautiful scenery and beaches. Properties found along this area are both privately owned as well as municipality owned. Some capital generated by the municipality comes from these properties as they are rented out. Most properties are rented out during the peak season, which is the Summer holidays. Due to the hive of property development taking place along these areas, so are many people found due the job opportunities.

There is a boom in residential developments along the coast even though in recent years developers were finding it difficult to sell existing new developments. The number of properties on the market is high. Some developers have voiced concerns in terms of slow sales due to traffic congestion on the Marine drive between Shelly center and Margate during peak holiday periods and the fact that a number of people see the image of the South Coast as a retirement area and see no point in investing. Attraction of further government services and offices into the HCM has potential to stimulate residential and office markets.

1.2.2 SMMES, Informal Sector and Economically Active Population

1.2.2.1 SMME Development

If the economy is low, jobs are scarce. HCM has been proactive in establishing SMMEs. Successful Small Medium Micro Enterprises businesses (SMMEs) must emerge as they are the largest contributors to new employment opportunities. The SMMEs sector represents an important component of the economy of the municipality and plays a major role in the job creation, economic growth and poverty alleviation. SMME sector is also recognized nationally and world-wide as a major player in economic development and growth especially for the developing world. As such, Hibiscus Coast Municipality has identified the need to support the development of the SMMEs across the economic sectors through the creation of opportunities for growth and development. The municipality sees its intervention area to improve efficiency of this sector as improved governance, improved public infrastructure development, improved access to information, and ensuring that our regulatory environment is responsive to the sector. SMME development strategy for Hibiscus Coast acknowledges that SMMEs are at different levels of development, with some still being at a survivalist stage while others have reached an advanced level of development and ready to graduate into formal business entities. The strategy is to deal with these in a differentiated manner taking into account differences in challenges. The strategy will specifically target the following:

- Informal Sector
- Small formal business the majority of whom operate from the development node
- Emerging contractors involved in construction and infrastructure development.
- Artists and crafters (creative industries) spread throughout the area.
- Small scale farmers including cane growers, community gardens, etc.

The Premier in his February 2015 Address, Priority Intervention 6: 'Unlocking SMMEs and co-operatives potential,' he mentioned that shared growth targets can best be achieved by creating an environment for small business to grow. A high participation rate in our economy is much needed and this can be best achieved by getting more business entities that can help create the jobs we need. HCM commits to create a better supportive environment for this initiative and best improve on what is on the ground already.

There is a database set up by the municipality for both active registered SMMEs and cooperatives. The municipality wants to ensure that it will expedite and expand an incubation programme for small businesses, do its best to reduce "red tape" for small business and support access to funding through soft loans and grants. The same will apply to the informal sector. It is detailed in the Strategy how the municipality has set up support access to funding through soft loans and grants. Further, an SMME & Co-operatives Strategy is also in place, which specifies exactly what needs to be done in terms of SMME and Cooperatives development.

The LED unit has the database for all active/ registered SMMEs and Cooperatives and is available on request. Further, the municipality is working on reviewing the database. The revised database should be ready before the end of the calendar year, 2015.

1.2.2.2 Informal sector

Informal or street trading has become a feature of contemporary urban environment in most South African cities and towns. It symbolises the changing nature of both spatial and economic environments, with the small and emerging business operating side-by-side with established business entities. Street vendors are a major source of provisioning for poor urban households, and form a vital part of any emerging economy.

As per the Ugu District Growth and Development Strategy, informal economy contributes 6% of employment and the figure is steadily growing throughout the District. However, Informal trading is prevalent in urban centres, particularly in the vicinity of taxi ranks and market areas. It also occurs outside of public facilities such as clinics, schools and pension pay points. Currently there is no formal database for Informal Traders which has resulted in no policy regulated for permits as well zoning. However, it must be noted that the municipality is working tirelessly to come up with a strategy to be implemented which will amongst other issues ensure that this sector is well provided for as it provides for a number of employment opportunities. There is absolutely no informal trading taking place inland (rural). A survey of informal traders undertaken in 2010 revealed the following:

- Provision of suitable facilities is critical
- The majority of informal traders are involved in small operations which involve a relatively small number of people.
- Most traders are not authorized to undertake street trading and do not belong to a formal structure but would like to be part of one.

- High concentrations of informal traders in places such as taxi ranks create pressure on the available infrastructure and causes chaos.
- The operators who try to work within the rules are becoming frustrated at the lack of regulation.
- There is a general lack of market infrastructure (i.e. safe and secure trading sites) and general infrastructure (i.e. roads, electricity, water, sewerage).

To regulate street vendors, the municipality has developed and adopted an Informal Trading Policy and By-Laws. Further, the municipality is working closely with KZN Department of Economic Development, Tourism & Environmental Affairs in expediting and elevating informal trading. In-house capacity building initiatives have also been implemented.

1.2.2.3 Private Sector

In order to ensure an economic growth and sustainable livelihoods, both public and private entities must work together. It must be noted that the Hibiscus Coast Municipality has many privately owned businesses and many locals are employed there. However, to conduct a research and development currently there is no budget. However, the municipality often engages lead organizations in this instance. Organizations such as UKZN, Stats SA are often engaged to provide specific information as and when required.

1.2.2.4 Economically Active Population

A large part of the population within HCM is economically active and a number of jobs have been created through the Local Economic Development initiative. A number of programmes are currently running aimed at developing skills to equip its local communities. Since the municipality has a number of unskilled unemployed youth, there are also programmes in place aimed at capacitating them. Workshops aimed at enhancing them with more knowledge in various sectors of businesses are also in place. The President, in his State of the Nation Address, (June 2014), states that in order to have an economic active population, the youth must be encouraged to participate in strategic sectors of the economy. This, in the municipality is seen through the various youth programmes aimed at addressing the plight of poverty and for leadership development. Also, it is carried out in the youth portfolio committee where by the youth discuss amongst many topics, the issue of economic upliftment and how best more jobs can be created for the unemployed. As it has been mentioned earlier on in the document that HCM is a municipality that has a relatively high number of youth, economic strategic positions both in private and public sectors are held by them, and this too is in line with SONA 2014.

1.2.3 Investment Opportunities (Catalytic Projects)

The municipality has key projects which will unlock job opportunities. These are projects regarded as having significant development impact. It is the projects that go beyond the powers and functions and affordability of Council and only use need and desirability/impact as the criteria. The projects listed below are regarded as catalytic projects being at different stages of implementation.

- **Justice Park** is essentially a development of a high court and more magistrate courts and office block to accommodate the Department of Justice needs. Total project value is estimated at R360m. HCM has made land available for the project and the Department of Public Works is currently packaging the entire project.

- **Development of Intermodal Public Transport Facility** which is a public transport ranking, facility with high order commercial mix. The facility in essence will be bus and taxi rank and a mall to be in Port Shepstone current bus and taxi rank.

- **Music City** to be developed at Hibberdene and it is a water front type development worth billions of rands. Lease agreement for land owned by HCM has been signed as well as Development agreement.

- **Technology Hub** to be developed at Izotsha. This initiative is funded by the Premiers office. The main attributes of the Technology hub include :

 - Specialised Business Park with tenants focused on technology and scientific research.
 - Closed alignment to tertiary institutes and their academic staff.
 - Partly linked to a wider research system.

- **Margate Beach** front redevelopment is underway funded by Cogta to give a new look to the beach. First southern phase development of promenade has been completed. Plans are underway for main beach area and Northern portion.

- **Margate Airport:** The upgrade of Margate Airport has made it easier for tourists to access the district once they are in the province, as well as making it significantly easier and simpler for the tourists to remain in the province for longer periods, due to the expanded range of tourism product in keeping with the tourists' needs. In addition, the area around Margate airport presents substantial potential for future industrial development. The Department of Co-Operative Governance and Traditional Affairs, (COGTA) financed this operation to the tune of R10m for the upgrade of the Margate Airport and the project bore fruit in November 2013 when the first airline landed. It is

a commercial airliner and is operating between OR Tambo and Margate respectively until more lines are opened. The Provincial Treasury has a project to revitalize all the regional airports. Flights are between Margate and OR Tambo up until more demands, and then more destinations would be added. Scheduled flights initially were to fly on certain days per week between the two destinations, but due to demand the flights are daily.

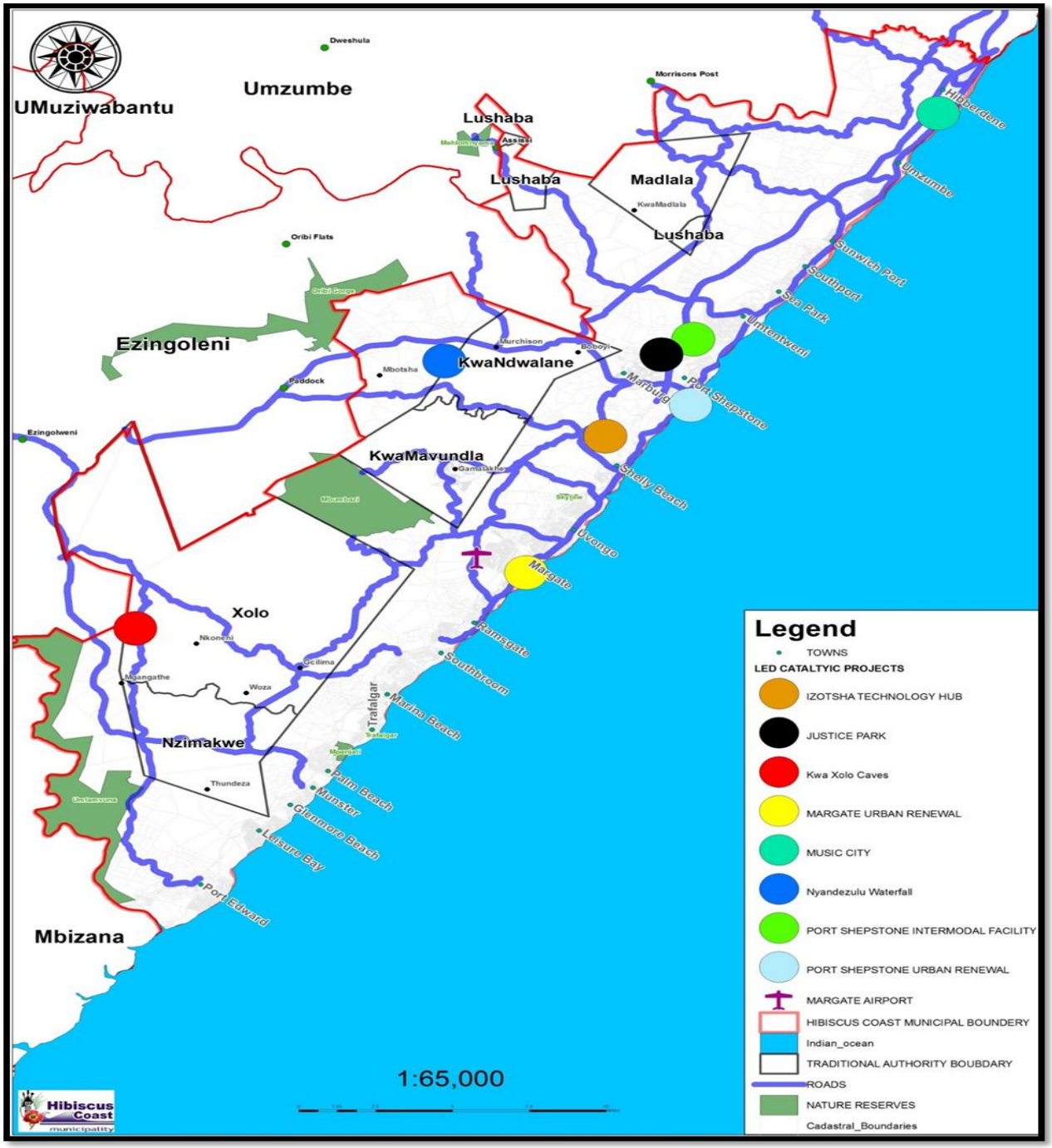
- **Tourism and ecotourism development:** Tourism Development Strategy for Ugu South Coast Tourism Region completed recently introduces a sector specific vision and the associated long-term goals. The goals are developed in alignment to the national responsible growth objectives. Both the tourism and eco-tourism of Hibiscus Coast seeks to deliver a welcoming world class visitor experience.

- **Marine Drive corridor and craft market**

 Village tourism should not be developed as a separate route, but an integral part of the products available to the tourists visiting the area. The municipality has identified a set of activities such as arts and craft market taking place in some areas and have package them into a unique product that appeals to the tourists, particularly international tourists. These are showcased in arts and crafts markets as well as flea markets. Marine Drive corridor is where this potential growth is taking place. A range of businesses are found along this drive, starting at Port Shepstone to Ramsgate. It is a stretch that is approximately 20km.

The Map below shows areas where the above mentioned catalytic projects are currently taking place, (Urban renewal, Development of Integrated Intermodal Interchange Public Transport Facilities. Land has been made available for the projects yet to be implemented and these are the Justice Park, Technology hub as well as the Music City.

Map 5: Catalytic Projects in HCM



Source: HCM GIS

Based on all the above discussions of issues that impacts on LED programme in HCM, it is noted that the following are key issues facing the HCM in its implementation of an LED programme:

- Economic governance
- Institutional alignment and coordination
- Economic spatial integration
- Land release for economic development
- Youth and gender empowerment
- Sectoral integration
- Sustainability of LED municipal projects
- Seasonality of key economic sectors
- Infrastructure supporting economic development

1.2.4 LED Projects

1.2.4.1 Current LED initiatives include but are not limited to the following:

1. Co-operatives and SMME development and advancement
2. KwaXolo Chicken abattoir
3. Second economy advancement
4. Poverty alleviation e.g. Siyazenzela food for waste initiative
5. One house one garden
6. Rural tourism facilitation (tourism development)
7. Job creation
8. Hibberdene harbor and Margate Airport as macro projects
9. Port Shepstone upgrade
10. Business licensing
11. Thusong service centres

1.2.4.2 Proposed projects

- Port to Port half marathon/cycling
- Conference center
- Nyandezulu water fall
- KwaXolo Rock Art caves project
- Arts and craft market
- Port Shepstone Madigras
- Ndongeni/Dick King tourism route

1.2.4.3 One Home One Garden

The One home One Garden campaign has been successfully implemented in HCM. The campaign is to initiate an integrated approach to food security demonstrating in practice the principle of coordinated government service delivery with respect to addressing the most vulnerable within the municipality. One home one garden campaign is a key aspect of the HCM food security. Health issues cannot be addressed if poverty is not vigorously tackled as it is a major driver of the diseases and it a known fact that the biggest enemy of health in the developing countries is poverty. The objective of the municipality is to reduce the percentage of households that have gone hungry. According to the National Development Plan on human development report, poverty and hunger must be eradicated. This is line with HCM policies on this issue, thus the one home one garden programme was implemented. And is very successful judging by the number of households with gardens.

Any effective food security campaign should:

- Improve agricultural production
- Improve food diversification
- An improved household well being
- Improved food utilization and health status of target group

1.2.5 Socio-economic Profile

1. 2.5.1 Employment and Income levels

The following summary breakdown shows the level of unemployment rate as checked against the whole working force and the youth unemployment rate of the municipality. Both the unemployment rate generally and the youth unemployment rate, one can conclude that both rates declined respectively in 2011 as opposed to 2001. However, considering the population of the municipality, these percentages are high. The youth is highly unemployed and this remains a huge problem that the municipality is facing It should also be noted that the high unemployment amongst the youth is caused by little or no education level. A large number of young people are either dropouts, or have never been to school and very few have higher education qualification.

The following Table shows unemployment Breakdown.

Table 12: Unemployment Breakdown

Unemployment Rate - %		Youth Unemployment Rate (%) Age 15-34	
2001	**2011**	**2001**	**2011**
41.8	28.0	51.5	37.3

Source: Stats SA 2011

According to the State of the Nation Address, (June 2014), unemployment impacts heavily on inequality and poverty and thus it must be halved by 2030. It further states that by 2020, 90 000 jobs should have been created. To address the high rate of unemployment in the municipality, projects and programmes are being implemented to address the issue of unemployment and this is in line with the President's speech. A number of these projects are being implemented in rural areas where unemployment is rife. Also these initiatives are aimed at establishing a conducive environment to attract and grow businesses and cooperatives as per the municipality's Local Economic Development's strategy.

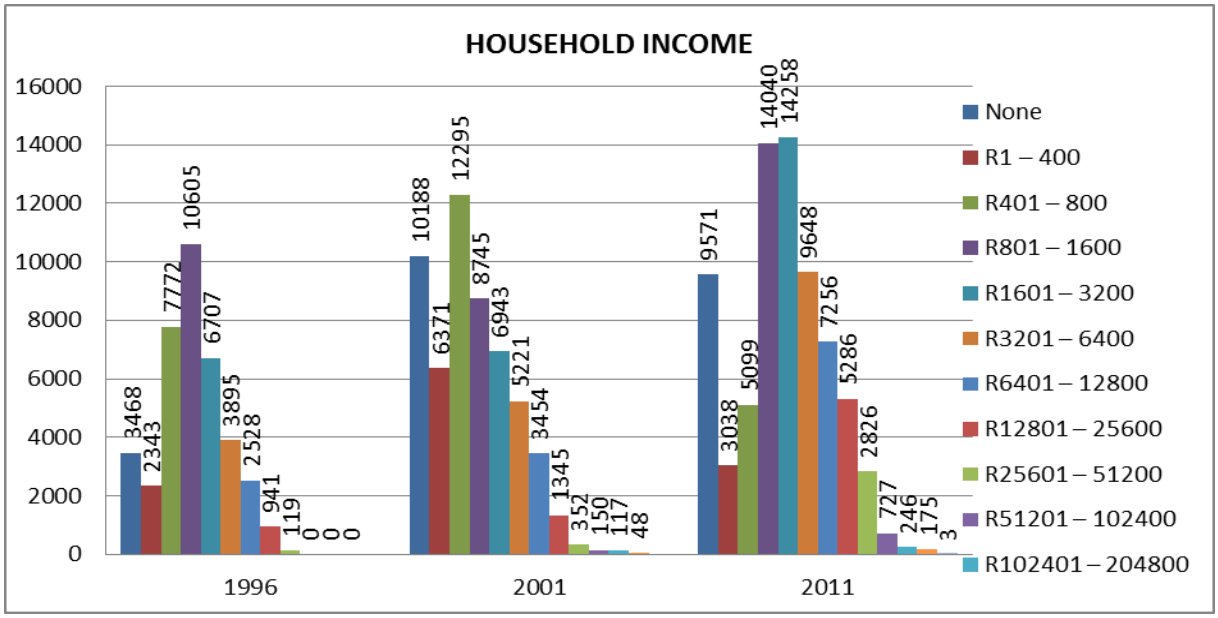
The Municipality further adheres to the State of the Province Address whereby the issue of youth unemployment is addressed. There has been an increase intake of youth in the public and private employment equity programmes and there has been an expansion of learning and skills development opportunities for the youth aimed at equipping them with job skills.

1.2.5.2 Household income

Between 1996 and 2011, there was an increase of household with the same income due to the population increase. For an example, 941 household in 1996 had an income of less than R2000 and in 2001 even though thee families increased, their earnings increased also to R1345. In 2011, the families increased drastically to more than 4500, and the earnings increased very high as well to R 5286. This analysis depicts a picture of a rapid population growth and an increase in incomes as well.

An overall picture that can be drawn from the graph below is that families increased since 1996 till 2011, so were their incomes. This means that there was an economy growth inspite of the population increase as well.

Graph 7: Household Income

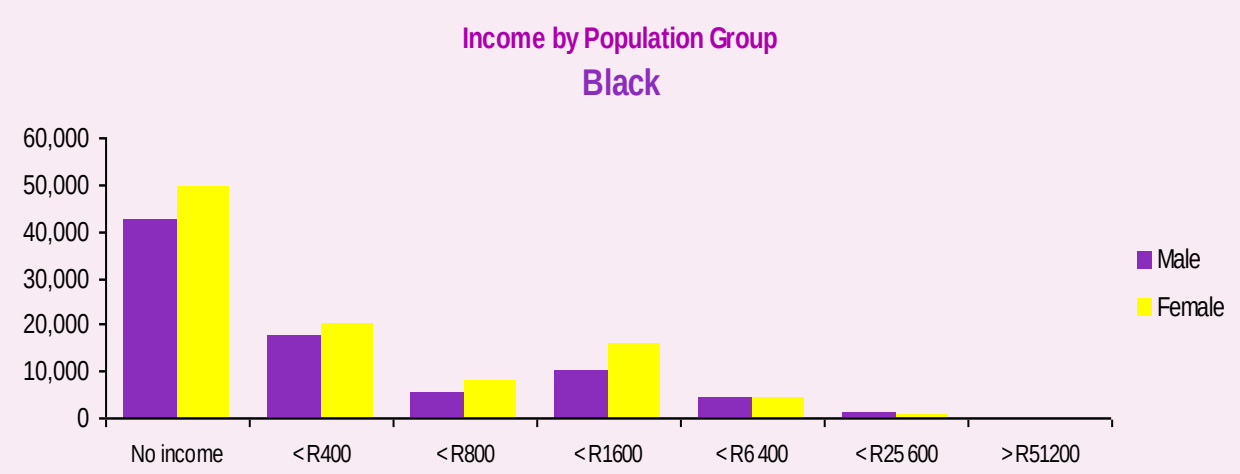


Source: Stats SA 2011

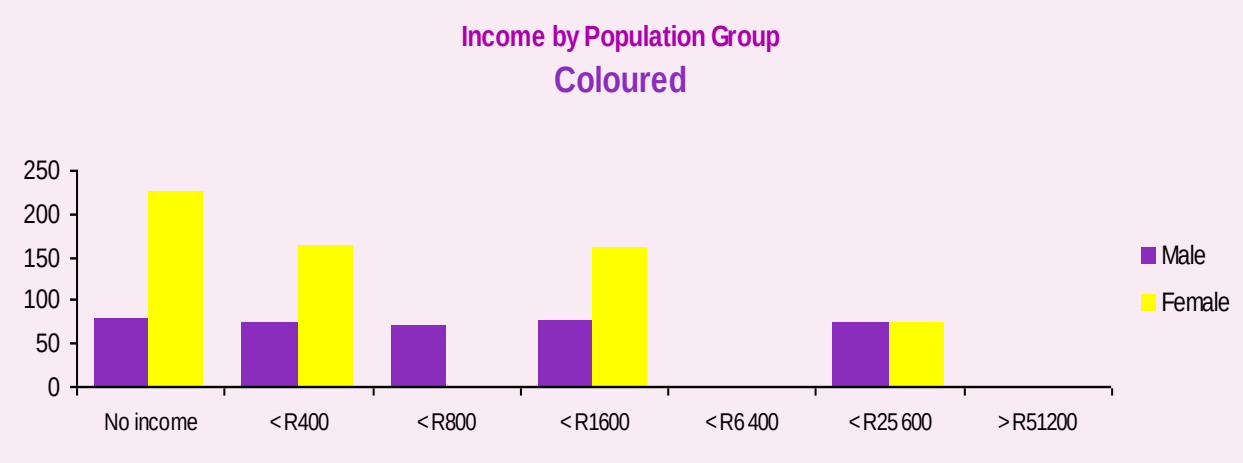
1.2.5.3 Employment by Race Breakdown

According to the employment by race breakdown graphs below, it can be summarized that more females than males in all races have no income at all. However, very few Black females earn above R25.000, while their white female counterparts in this category are many. There are also many coloured women who earn more than R25.000 while very few Indian females earn the same amount. There is a huge imbalance in terms of earnings. The following graphs best summarize this information.

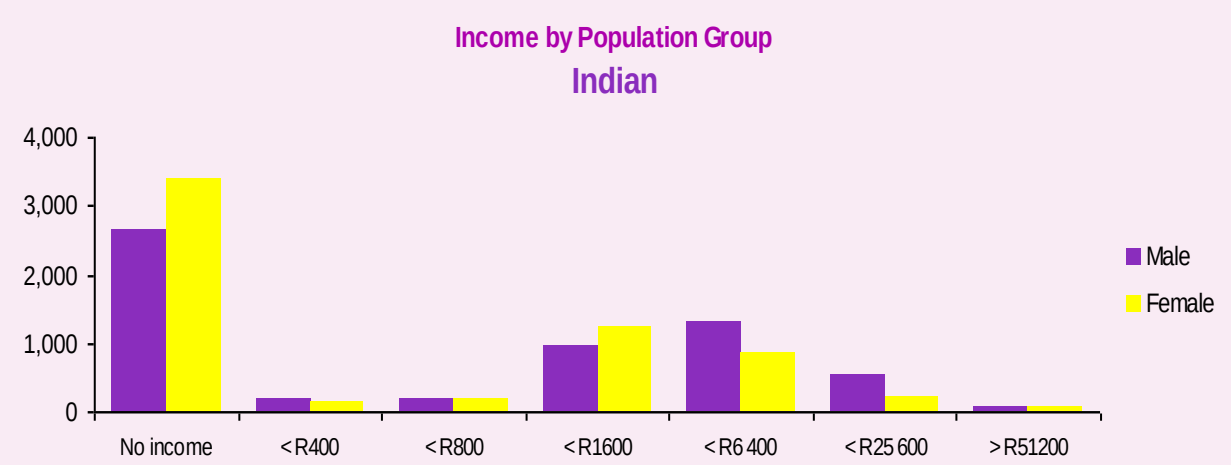
Graph 8: Employment by Race breakdown



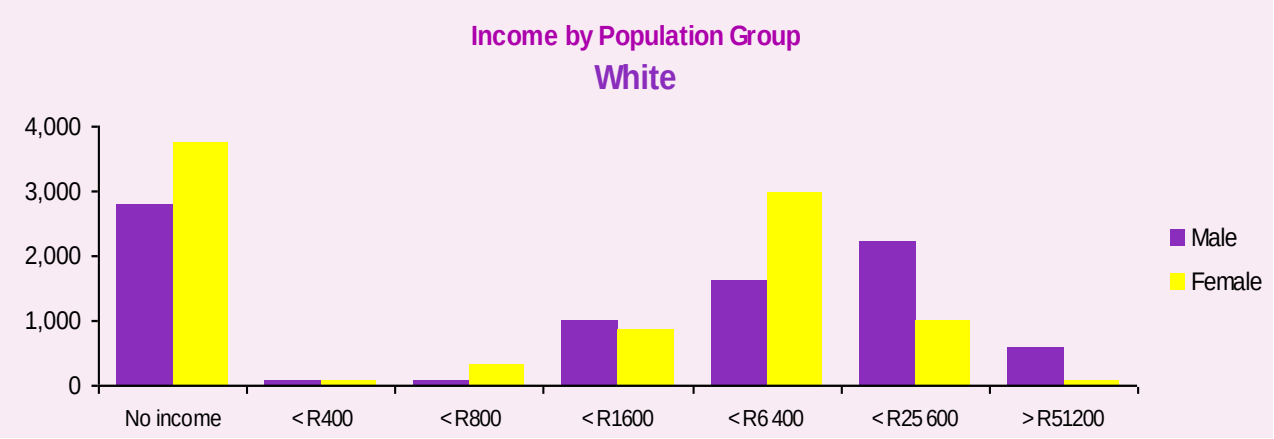
Stats SA 2011



Stats SA 2011



Stats SA 2011



Stats SA 2011

1.2.5.4 Income Levels by Sector

Table 13: Income Levels by Sector

Agriculture, forestry & fishing	Mining	Manufacturing	Electricity & water	Construction	Wholesale, trade, retail & accommodation	Transport & communication	Finance & business services	Community, social & other personal services	General government services
14.6%	1.0%	11.8%	0.7%	5.5%	17.1%	1.4%	11.5%	21.1%	15.4%

Source: Ugu District LED Strategy, 2007

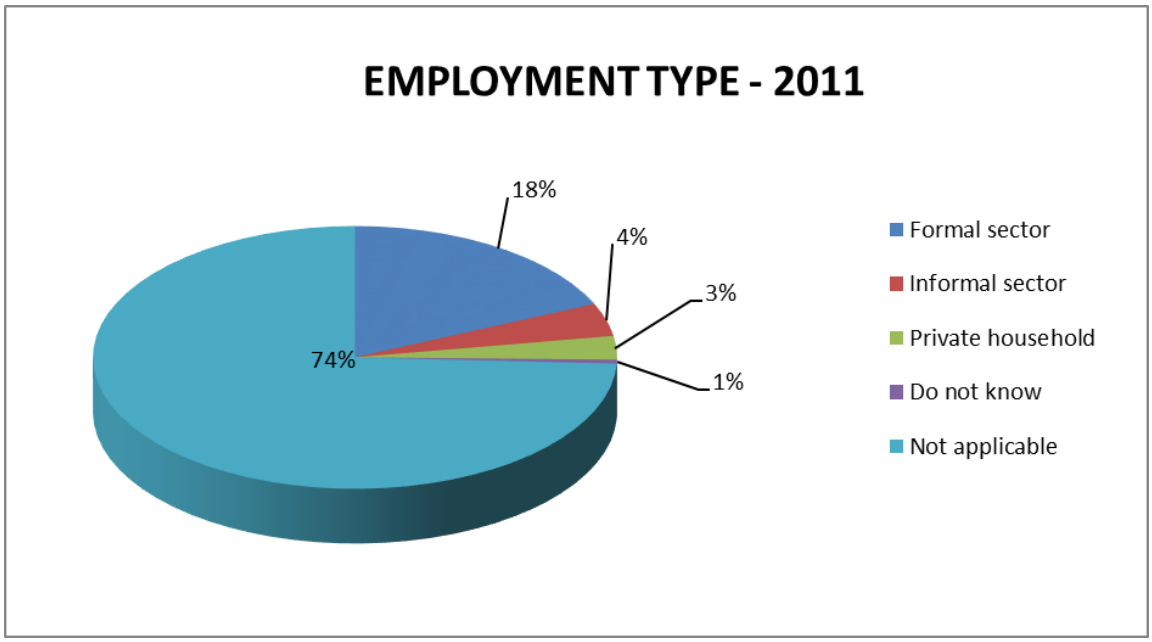
HCM has a high number of formal jobs (36 705) than other local municipalities within the Ugu district. Most significant discrepancies between those employed and unemployed however is still found in urban areas due to immigration. The unemployment rate is high in rural and peri-urban areas and the most affected is the youth population.

With the increasing population within the municipality, there has also been an increase in the number of employed people in different sectors. HCM has a high number of formal jobs (36 705) than other local municipalities within the Ugu district municipality. Between 1996 and 2001 the number of employed people decreased by a significant figure irrespective of the population increase and the increasing number of the potential labour force group. However, there has been an improvement as the number of employed increased in 2011 surpassing the 1996 employment figures by 16080 people.
It must be noted however that unemployment rate is high in rural areas and the most affected group of people is the youth population.

1.2.5.5 Employment and unemployment levels

18% of the population is employed in the formal sector while a large part is not applicable. This is a concern to the municipality as it shows that unemployment is rife. Under the informal sector, only 18% of the population make it. This group is employed in the industry/manufacturing sector. 3% falls under private household. This is substantiated by what was discussed earlier in the document that the residential areas along the coastal belt offer domestic employment to many females. Only 1% fall under the do not know category. This is a group of casual workers who are not employed on full time basis.

Graph 9: Employment type



Stats SA Census 2011

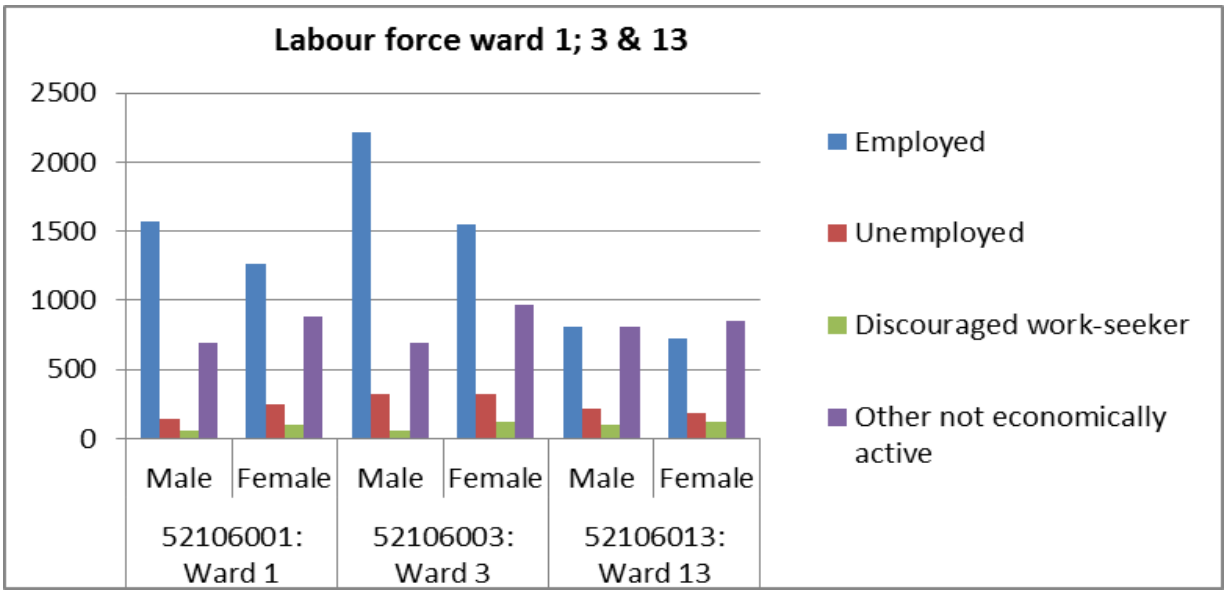
1.2.5.6 Labour force participation rate

The total population is dominated by the 15 – 34 year old people; this is a potential labor force group. The 35 – 64 year olds are the second populous and these people are a potential to the municipality in terms of labor force.

In terms of dependency grouping, it is apparent that the potential labor force group is dominant with 65% of the population currently forming part of this population. This is a drastic change from 1996 as these people formed 59% then. It means economically active group is growing in HCM which is positive if the economy is to grow.

Overall, this implies that the municipal area is dominated by a group that has a potential of being active in the labor force which means that job creation, post matric education opportunities and skills development as well as social issues affecting the youth and labor force should be strategic focus areas for the municipality. Insert is a Labour force graph indicating wards that are high employers.

Graph 10: Labour Force



Stats SA 2011

1.2.5.7 Employment by Industry

The Manufacturing, wholesale as well as retail trade and personnel services have very high numbers in terms of employment. It must be noted that HCM is highly active in manufacturing and whole sale retail with most activities concentrated at Port Shepstone and Marburg. This is also where the population is high due to these activities. Electricity, gas and water supply industry has less than one thousand people employed. Mining and quarrying has very few people employed and this may be due to the fact that this sector need highly skilled personnel and the municipality has few. This is an indication that there is a need to develop such scarce skills for economic growth. An overall summary is:

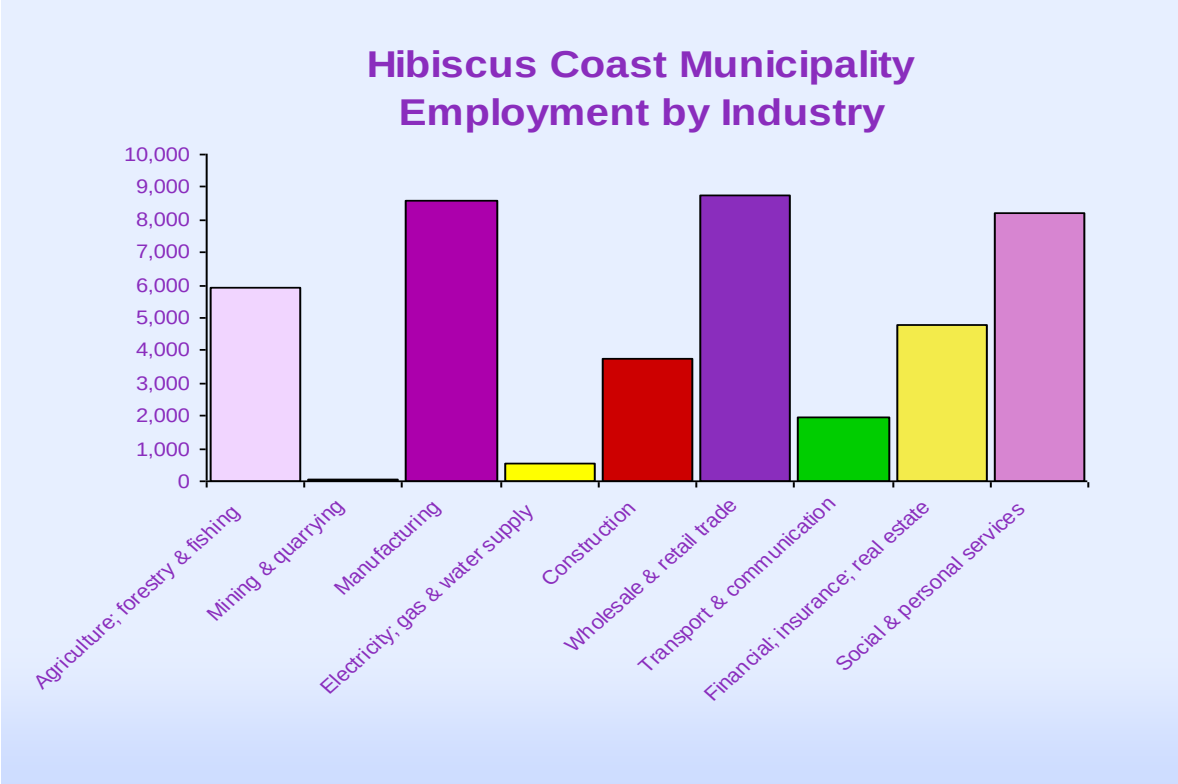
- The main industry of employment is the community/social sector, followed by private households, retail/wholesale and the agriculture/fishing sectors;
- Thus employment is predominantly in the social services, primary sectors and retail;
- There is a slight increase of 2% in the financial sector

Three of the fourteen National Outcomes indicate that there should be:

1. Decent employment through inclusive economic growth.
2. A skilled and capable workforce to support an inclusive growth path.
3. An efficient, competitive and responsive economic infrastructure network.

Hibiscus Coast Local municipality is in line with the above outcomes through the different initiatives it has put in place. Many programmes have been implemented and some are still to be implemented to empower and enhance skills for the youth and many have benefited. Through the inclusive economic growth of the municipality, decent jobs have also been created which has seen a number of people being employed, thus sustaining their livelihoods. To enhance economic growth, road infrastructure need to be in good form, thus the municipality, together with the Department of Transport, (DOT) has started extensive roads rehabilitations and one major revamp is the N2 that cuts through the municipality. Other road networks are also being rehabilitated.

Graph 11: Employment by Industry



1.2.6 Poverty

Poverty is enemy number one in any society and needs to be eradicated. It is often defined as the lack of resources to meet basic needs. An important indicator of poverty is the number of households with an income below the Minimum Living Level (MML). According to surveys conducted at HCM, the municipality has a total of 72175 households of which 3326 are female headed due to a number of social problems amongst which the male death rate is prevalent or rather males are in the cities for employment purposes.

Furthermore, child headed households stand at 446 in the entire municipality and this is a high figure compared to the previous years before 2011. The Department of Social Development together with SASSA issue grants to sustain these households. There are other programmes that are being rolled out by the Department of Education at HCM, such as the nutrition programme. This is in line with the Premier's call in his Provincial address of June 2014 to help school going children. By rolling out this programme, the Premier highlighted that not only children will be helped, but this will provide a market for the agricultural sector as well as for additional job creation. This is evident in many local communities throughout the municipality.

1.2.7 Inequality

There are large inequalities in many South African economies, with no exception for HCM. The PGDS highlights this as chronic and rising, resulting in a vicious cycle of poverty. Inequality also leads to inequality in incomes. If the income is very little, many social ills are bound to occur. To combat inequality, HCM has ensured that programmes to alleviate poverty and close the gap between the have and the have nots which is a product of the past unjust spatial planning, projects such as the Housing projects are implemented in such a way that dignity is restored amongst the poor. Many people have been afforded shelter. There are many programmes also aimed at fighting inequality within the municipality thus we are proud to mention that as a municipality we are in line with the PGDS Strategy of fighting inequality.

1.2.8 Number of job projects for poverty alleviation

In as much as there are poverty alleviation projects, not all people benefit through them due to the high population. It must be noted that most projects are funded by Government, people employed as volunteers in these projects expect to benefit in terms of payment yet such projects are none beneficiary in most instances, only aimed at sustaining families in terms of putting food on the table. Most projects are never completed as people get disillusioned and quit. There are, however, other poverty alleviation projects run by the municipality through the Extended Public Works Programme (EPWP). Most people employed in these projects are from rural areas and positive results have yielded where by many families now live above the poverty line.

Through the EPWP programme has addressed the Green job initiatives. For example, the municipality is implementing the Food for Waste Programme.

1.2.9 Poverty Head Count Ratio

The poverty head count ratio for HCM is 1:5, which means, it is relatively high, considering that the municipality is regarded as the Economic hub of the District and expected that the poverty ratio should be low. Below is a summary of how Hibiscus compares to the District. The figures agree to the above mentioned statement.

Table 14: Income and poverty levels

Income and poverty levels				
	Total House holds	**Female headed households**	**% of total households**	**Child head (10-17 years)**
DC21:Ugu	179441	90683	50.53	1709
Hibiscus Coast (KZN 216)	72175	33265	46.09	446

1.2.10 Projects

In line with the Ugu District Development Growth Strategy as well as the Provincial Growth Strategy, HCM is ensuring that programmes aimed at both uplifting its economy as well as offer job opportunities are in place. As mentioned earlier on, HCM strives to combat poverty at all costs, and is geared to bring service delivery to all its communities. To further sustain livelihoods for its communities, the municipality has lined up programmes with a number of projects aimed especially for rural poverty alleviation, and above all, to combat the issue of unemployment. These projects have already been implemented in a number of rural areas. Many women and the youth are being employed. The Municipality has also ensured that the disabled are not left out, thus programmes such as the bead work projects are running. The following map highlights two projects in different parts of the municipality. It must be noted that not all projects appear in the map. The KwaXolo caves for an example, is a tourism project showcasing the caves and indigenous tracks at KwaXolo Tribal area inland of the municipality. This initiative has produced quite a number of jobs to locals and skills development programmes for aspiring tour guides. Margate Airport, another LED Project is a thriving business area which now enables connection between the municipality and OR Tambo airport. Sustainable jobs have been created as well.

1.2.11 LED Strategy

The National Framework for LED in South Africa (2006 to 2011) directs that a credible approach to LED in any municipality should include a commitment to invest in the capacity of a municipality to manage its affairs in a manner that inspires confidence to both its constituents and the private sector. It must also provide signposting for domestic and external investors, indicating on the basis of objective and empirical analysis, where opportunities for growth lie.

HCM has an LED Strategy outsourced and adopted by Council in 2011 and it seeks to address the following

- Tourism development
- Agricultural development
- Manufacturing and Industry
- Community Services
- SMMEs development and support
- Informal Sector
- Business Support Programme
- Cooperatives

As such, the LED Strategy for the Hibiscus Coast municipality builds on the strengths and seeks to seize the opportunities the environment presents to the area and its people. It reflects learning from other municipalities as a means to avoid common mistakes, and reposition the area on a sustainable economic development path as per the PDDP and DGDP. This includes removing blockages and obstacles, identifying economic development opportunities, area marketing and promotion, and providing support (technical and otherwise) to local business. Stakeholders such as the South Coast Tourism participate immensely with the municipal's LED.

Since establishment, Hibiscus Coast Municipality has been involved in LED, though in a very limited scale. This is partly because of the lack of capacity and LED being a relatively new mandate for local government. This strategy is based on a new approach which requires the municipality not to run LED projects itself, but to facilitate the setting up of institutional arrangements and creation of an enabling environment for business development.

Strategic Focus

HCM Economic Development Strategy serves as a refinement of the municipal strategic intent outlined in the IDP and a consolidation of local municipalities' economic development vision into a coordinated and integrated regional development plan.

Development Vision

To be a thriving, well managed, tourist friendly, national leader providing all its inhabitants with quality services in a safe and healthy environment.

Goals

HCM, **'**the economic engine room' of the lower south coast and the wild north coast. Its goals are:

- Infrastructure
- Development
- Sectoral development
- Functional linkages
- Entrepreneurship
- Job Creation
- SMME Support
- Rural Development
- Integrated Development

1.2.12. Social Development Analysis

1.2.12.1 Education

As per the State of the Province Address, (June2014), the Premier mentioned a number of critical issues relating to Education. Amongst issues he mentioned: a need to develop human strategy capacity, increase enrolment rate in FETs and that there should be a seamless transition of learners from early childhood development to adult literacy. HCM prides itself in the fact that it has managed to address these issues as more students yearly are registered in all the FETs available within the municipality. There has also been an increase in the Grade 1 enrolment in schools which also is in line with the Premier's 2020 goal of having an increase and maintaining of enrolment in Primary schools.

Through the recent IDP Community Planning, it emerged that a number of rural schools have a shortage in schools. There is a shortage of schools in rural areas particularly Preschools as well as primary schools as compared to urban areas and this is a major concern. Also, most schools in rural areas have no proper equipment making it hard for the culture of learning and teaching to be effective. This has resulted in a large exodus by learners to schools in urban areas and this has had a negative impact in that:

- Those schools left behind remain white elephants and prone to vandalism
- Teachers are displaced in schools with high enrolments, in most instances far from their residential areas and these impact negatively in their social lives.
- Schools in urban areas are overcrowded
- The Government loses a lot of money as most schools are built only to be closed down due to very few or none learners.

According to National Outcome number one, basic education must be improved. The municipality, in conjunction with the Department of Education, has embarked on ensuring that more schools with proper learning materials and skilled Educators are provided.

Learners walk long distances to school. In some areas there are no bridges and this makes it dangerous for learners to make their way across. During rainy seasons, most rivers flood and learners risk being swept away. Some rivers are crocodile infested which also is a serious problem. These learners face problems of not attending school due to these problems.

Some schools in rural areas do not have access to clean water and sanitation. Learners drink from stagnant dams and streams, and through the Department of Health, it has been established that more diarrheal diseases emanate from such.

Structures in some schools are not suitable. Make shifts are too hot in summer and very cold in winter. Some structures are made of mud and when it rains, they collapse inwards. According to the Department of Education in the District, there is no shortage of teachers both in FETs and schools throughout the municipality; however, overcrowding is still a problem. More learners are being enrolled each year in primary schools and the graph below is proof to that. In 2011 there was a 92% enrolment as compared to 2001 where there was 88.8%.

Table 15: Education qualification analysis

No Schooling (%)		Higher Education (%)		Matric (%)		Primary Educational Enrolment (%)	
Aged 20+						Aged 6-13	
2001	2011	2001	2011	2001	2011	2001	2011
20.3	7.4	7.1	5.5	19.9	27.9	88.8	92.4

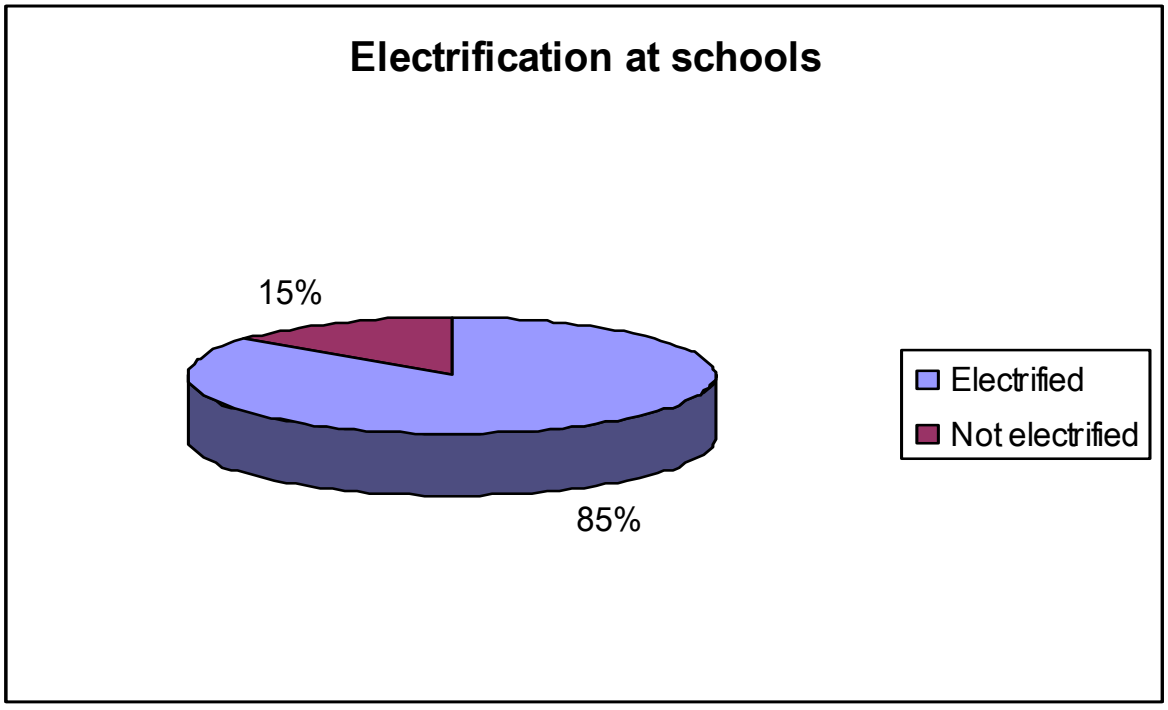
Stats SA Census 2011

Some schools within HCM use temporary measures (containers/ prefabs) as classrooms. This is due to a number of reasons, amongst them, the enrolment is too high and the already existing classrooms can't accommodate all learners. In some instances is when a school has been recently opened and the Provincial Department is finalizing all the formalities before any proper development can commence. However, it should be noted that it normally takes a very long time for proper classrooms to be built and learners there for make use of these. A whopping 90% of schools are fee exempted, which is a good intervention by national government to improve access to basic education and therefore literacy levels, however, such a huge percentage of exempted schools is also an indicator of poverty level that is high.

School electrification

There are 62 schools within the Hibiscus Coast Municipality's area of jurisdiction, 53 of the schools have access to electricity and only nine of the schools still need to be electrified. The graph on the next page reflects the level of electricity provision at schools.

Graph 12: School electrification



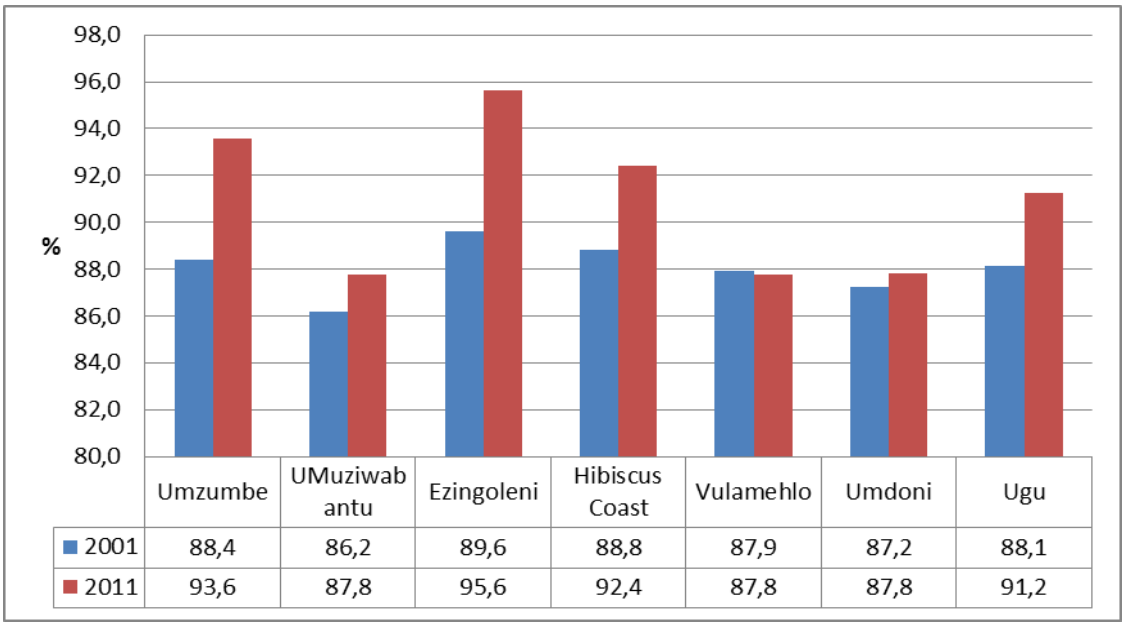
Source: Department of Education's report, 2009

The graph above reflects the level of electricity provision at schools. Electrification is communicated through Eskom while some parts of the municipality is serviced by the Municipality itself. It must be noted however that a large number of schools have been electrified and the remaining 15% it is under way.

Literacy Rate

According to Census 2011, females at Hibiscus Coast are dominant school attendees as they make up 53% of the school attending population. This reflects a change of the perception that girls in some sections of society are groomed to focus on household matters and little or no education. Instead, HCM's inhabitants are becoming more liberal. This also augers well with the government policies to empower women. Looking at the graph below, Izinqoleni municipality, for an example in both 2001 and 2011 had a higher literacy rate as compared to HCM which is a good sign that Education is taking priority.

Graph 13: Literacy Rate per municipality

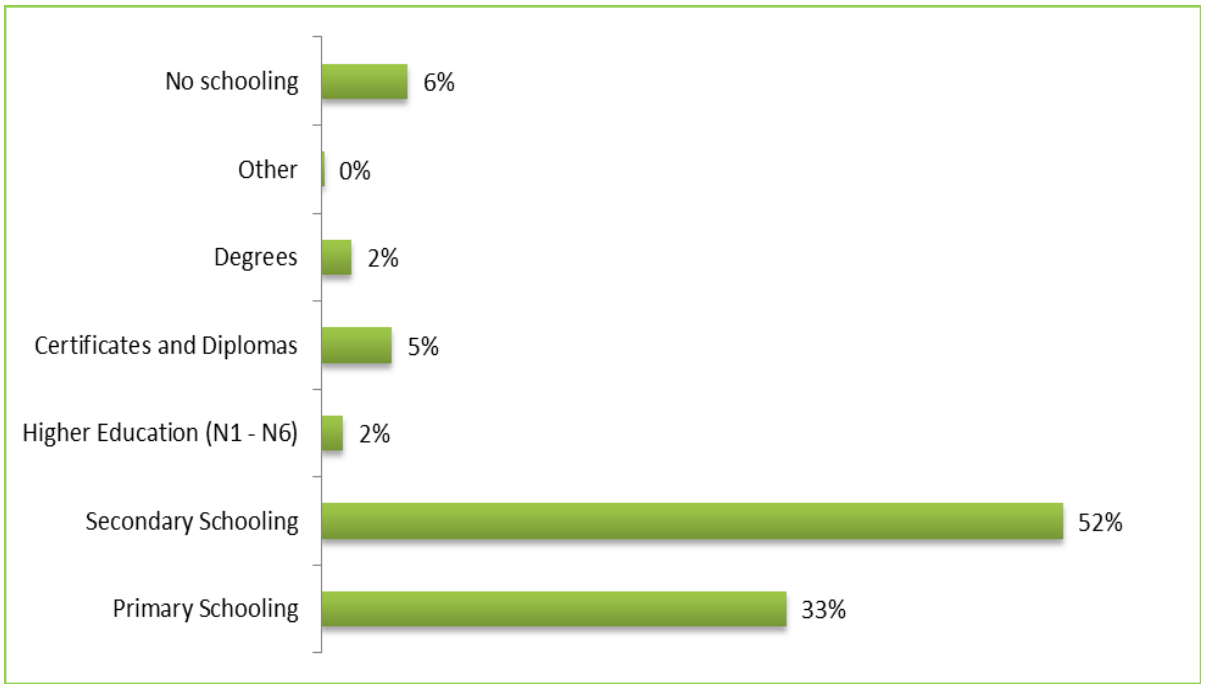


	Umzumbe	UMuziwabantu	Ezingoleni	Hibiscus Coast	Vulamehlo	Umdoni	Ugu
2001	88,4	86,2	89,6	88,8	87,9	87,2	88,1
2011	93,6	87,8	95,6	92,4	87,8	87,8	91,2

Stats SA Census 2011

The following graph is a summary of literacy rate for all the local municipalities under Ugu District. There is a 52% of secondary schooling and 2% of Higher Education schooling which is a relatively low figure. It is quite shocking to note that the percentage of people with no schooling is very low. Also the percentage of people with no Degrees is low as well.

Graph 14: Literacy rate – Ugu District

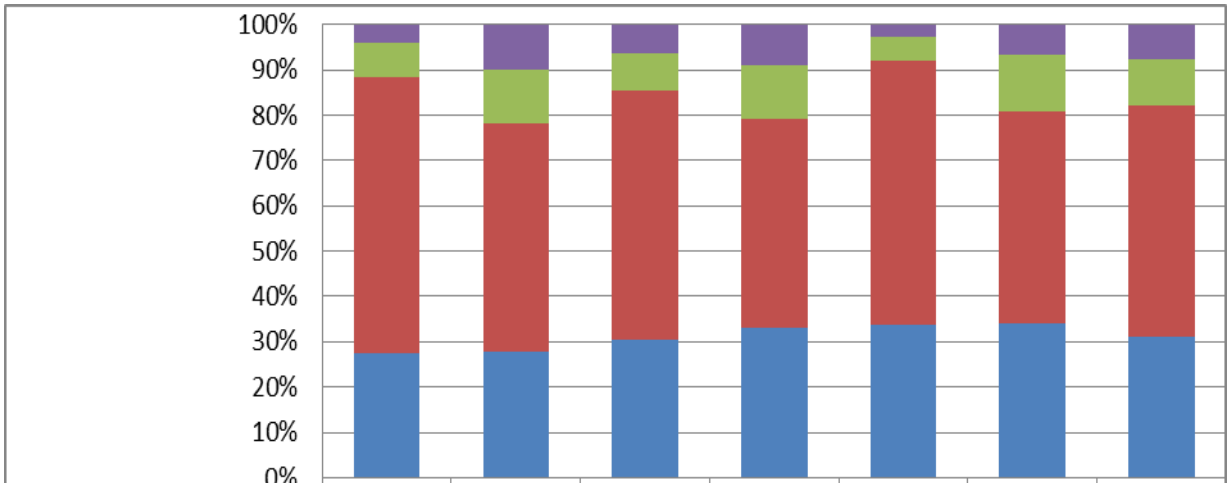


Stats SA Census 2011

The education levels are improving drastically as more and more people are attending school and reaching secondary level. In the Census Reports of previous years (1996 and 2001) secondary school was the dominant level of education and it has remained as such. However, what is noticeable is that it is now showing great improvement as the number of people at secondary school level has tripled since 2001. Primary schooling has also shown great improvements.

The following graph indicates the percentage of the population aged 20 and above in each local municipality with matric and higher education. It is noted that Hibiscus Coast Municipality in 2001 had 19.9% people with matric and in 2011 it increased to 27.9%. Umuziwabantu Municipality in 2001 had the lowest percentage of people above 20 with matric, but in 2011 there was a drastic improvement to 15.3%. An overall picture that can be drawn from this summary is that all the sister municipalities within Ugu have made improvements in terms of people above 20 obtaining a school leaving certificate. This positive trend may be attributed to the input made by the Department of Education in terms of improving teaching skills, reducing the teacher/pupil ratio, the timeous availability of free teaching and learning material, improved infrastructure such as libraries, school feeding scheme and innovative initiatives such as extra classes after school and during school holidays. Such improvement in the basic education levels and therefore literacy level is a good indicator for the development of a country.

Graph 15: Percentage of age 20 with matric and higher Education



	Umzumbe	UMuziwabantu	Ezingoleni	Hibiscus Coast	Vulamehlo	Umdoni	Ugu
Higher education 2011	1,3	3,0	1,9	5,5	0,9	4,2	3,5
Higher education 2001	2,5	3,6	2,5	7,1	1,9	7,8	4,7
Matric 2011	20,0	15,3	16,3	27,9	20,6	29,2	23,6
Matric 2001	9,1	8,5	9,0	19,9	11,9	21,3	14,4

Stats SA Census 2011

Matric pass rate

Out of the six local municipalities under Ugu district, Ezinqoleni municipality had the highest matric pass rate both in 2001 and 2011 respectively. Hibiscus Coast municipality has done fairly well also over the years considering that the municipality has the highest number of school going children as compared to the other local municipalities. Currently, the municipality stands at 92.4%. There are contributing factors to this, which new innovative programmes are counted. Winter classes for matriculates are such examples. Also adding to that is the fact that even those previously disadvantaged schools do have adequate resources such as libraries, fully equipped laboratories and balanced teacher ratio.

Higher Education

The table below summarizes the percentage of people with a higher education qualification in 2011. It must be noted that there was a very low percentage of 11.3% for people with higher degree masters or PHD. Bachelor's Degree only made 48%. This is a concern because according to findings, there are many people with secondary education, few with matric certificates, and far less with tertiary Education. This is not in line with the SONA 2014 June Address whereby the President indicated that the Nation needs to be empowered with people who are knowledgeable.

Table 16: Higher Education Qualification Holders

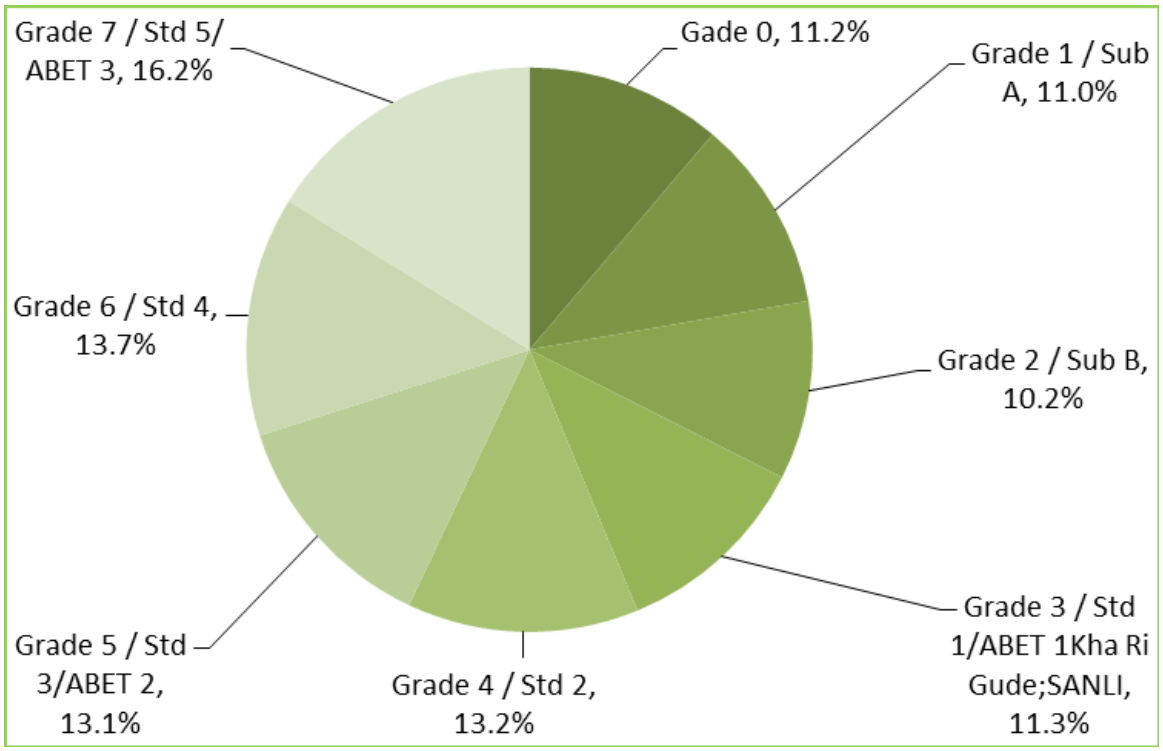
Certificates and Diplomas	**11131**	100.0%
Bachelors Degree	2342	48.9%
Bachelors Degree and Post graduate Diploma	942	19.7%
Honours degree	962	20.1%
Higher Degree Masters / PhD	543	11.3%
Degrees	**4789**	100.0%
Other	480	100%
No schooling	13647	100%

Stats SA Census 2011

Adult Basic Education (ABET)

The Department of Education runs the Adult Basic Education Programme. A number of centers are doted throughout the municipality and through findings, over the years this has proved a success as many people benefited. However, it must be noted that in as much as there is progress in this initiative, there are still problems encountered in some parts of the municipality especially in rural areas and farming communities. Many centers closed down due to poor turnout of learners who cited lack of safety as they have to travel distances in the dark on their way home after classes. Another contributing factor was that very few people showed interest more especially in the farming communities. Working together, the municipality and the Department of Education have managed to instill the love of Education and its importance in every ones livelihood, many people have changed their negative perception, and this saw many people enrolling either for the first time or to improve their symbols. Below is a pie chart showing information on ABET grades. There is an indication that the highest grade, Grade 7, has a high percentage of 16.2 which is a sign that more people see the need to be empowered with knowledge. Basically, the chart shows an increase from each grade of people enrolling.

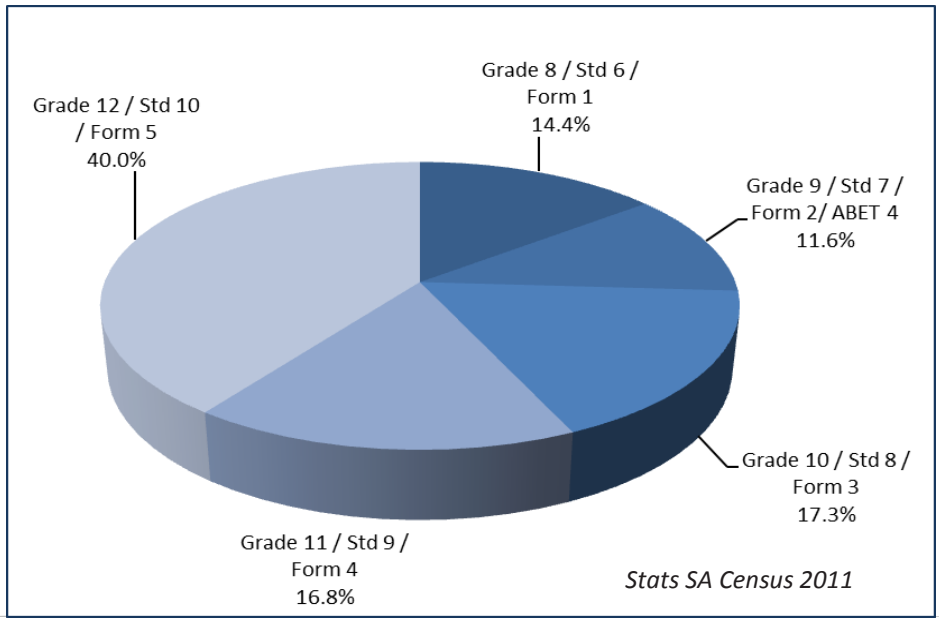
Graph 16: Basic Education



Stats SA Census 2011

The pie chart below shows the percentages of people with different grades qualification. Grade 12 has the highest percentage, 40.0%. The lowest percentage is in Grade 9, which is 11.6%. This shows that many people who never had a chance to have formal education make use of the ABET system to upgrade themselves.

Graph 17: Percentage of different grades



1.2.12.2 Youth Development

The municipal population figures show that HCM is a youthful one with most of the population below 35 years. The municipality aims to impact on the youth through the following objectives:

- To ensure that the youth are given an opportunity to participate in the mainstream economy and to entrench the need for stakeholders to prioritize and support youth economic empowerment.
- To address challenges of youth unemployment and poverty by, among other things developing mechanisms to create markets for young entrepreneurs in HCM including development in sports and arts
- To develop mechanisms to address the economic needs of the youth in terms of their geographic demographics i.e. urban or rural
- To encourage young people to actively participate in development issues
- To address moral regeneration needs

Youth programmes

As indicated earlier in the document, HCM is largely youthful, programmes and plans for this group are in place . For these programmes, refer to SDBIP attachment. These are aimed at enhancing their skills in different fields. Following are some of the programmes that are run by the municipality yearly:

- Life skills and leadership training. Six sessions are held each year with sixty people per session
- Career Guidance targeting High Schools
- Local Arts Festival targeting local young artists
- Fashion shows targeting local designers
- Youth Forums are fully functional per ward
- Sports Programmes
- Mayoral Bursaries targeting 150 students for registration each year and 4 students for full bursaries.

The main youth concerns can be summarized as follows:

- High unemployment rate
- Lack of skills
- Lack of sporting and recreational facilities
- Access to higher learning including bursaries
- Lack of information/ communication measures at rural areas
- High levels of crime
- Exposure to alcohol and drug abuse

1.2.12.3 Health

Ambulance Services

The entire Ugu District has fifteen ambulances, seven fall under for HCM. Response times are still far below the acceptable norm in both urban and rural areas and remain a serious challenge considering the increased demand for emergency services. The improvement of response times is achievable only if the number of staffed roostered ambulances is operational as well as addressing the gaps in terms of filling vacant posts and replacing the aging fleet of vehicles.

Teenage Pregnancy

Teenage pregnancy (below the age of 18) is above the 8.5% target. Currently, it stands at 9.6%. It should be noted that this high percentage is not for HCM residents only, but for the entire Ugu District as people from the other sister Municipalities make use of the two Provincial hospitals and clinics within Hibiscus. There are strategies in place to lower teenage pregnancy within the Municipality. Such include the pregnancy family planning implants which last for three years in the blood stream and is done per parent consent.

Child Mortality

Under five

Diarrheal diseases are one of the major contributory factors to under five. There is a rise in incidence of diarrheal cases as compared to the previous two years. Other contributing factors are mother to child transmissions.

The causes are multifactorial but the importance of hygienic food practices, Rotavirus immunisation and early treatment with Oral rehydration solutions right from home will ensure reduction in morbidity and mortality associated with diarrheal diseases in the under five years. Breast feeding, proper hygiene and up to date immunization can help reduce the mortality rate. Also there is a programme that the Department has embarked on,known as Phila Mntwana at Mkholombe and Masinenge informal settlements. These areas the rate of diarrhea and malnutrition is too high.

HIV Prevalence

In terms of the 2001 survey, the Ugu District Municipality area had the third highest HIV prevalence amongst pregnant women visiting public health facilities in the province after Ethekwini Municipality and Amajuba District Municipality. Department of Health's recent data indicates that Ugu is sitting at 40% HIV/AIDS infection. Hibiscus Coast Municipality in partnership with the District and the Department of Health should arrange more awareness campaigns around sexual transmitted diseases, HIV/AIDS and the importance of general health care.

The Murchison and Port Shepstone hospitals are the two accredited Anti-Retroviral (ARV) treatment facilities within the Hibiscus Coast Municipality. These two hospitals initiate ARV treatment and refer patients to the nearest clinic for follow up treatment. Integration of HIV and TB services has been strengthened by training of HIV counselors on TB Screening. There is also a grant (Comprehensive HIV AIDS condition Grant) given on monthly basis to those living with HIV and aids.

People affected by drugs, crime and HIV and AIDS

The municipality has partnered with the Ugu district as well as the provincial departments in implementing the Sukuma Sakhe flagship programme. More focus is placed on the most deprived wards including ward 8 and 29 as wards / areas most affected by the pandemic. The programme has been rolled out to all the 29 wards of the municipal area. War rooms have been established in various wards.

The World Aids Day is commemorated on an annual basis. Furthermore the HIV and Aids jointly with the special programmes unit purchase and deliver school uniforms to vulnerable children in schools. The department of Health conducts annual HIV/AIDS surveys on women visiting antenatal clinics in the province.

HCM's Council is committed in the HIV/AIDS infection reduction and assisting those who are infected and affected by the diseases. R1.4m was budged to deal with HIV/AIDS issues in 2011/2012 financial year. The municipality has implemented viable programmes to fight the scourge of the disease. More educational programmes / awareness campaigns are necessary to alert the community members of the HIV/AIDS disease.

It will be important to factor into planning the impacts associated with this pandemic and provide adequate services to those living and affected by the virus. Furthermore, it is critical to involve the ward committees, Local Aids Council and people living with HIV/AIDS in the IDP Forum to discuss issues that affect them and planning matters. The epidemic, for example, will affect infrastructure planning by reducing the projected number of people, impacts on households requiring services as well as their ability to pay for these services and increased demand for health care facilities and social services.

The Murchison and Port Shepstone hospitals are the two accredited Anti-Retroviral (ARV) treatment facilities within the Hibiscus Coast Municipality. These two hospitals initiate ARV treatment and refer patients to the nearest clinic for follow up treatment. The following clinics offer follow up treatment: Margate, Gamalakhe, Bhobhoyi, and Ntabeni. Other clinics refer clients to one of the two hospitals for ARV treatment. All clinics however provide screening, counseling and taking blood samples as part of the ARV roll-out programme.

The number of patients receiving ARV drugs is as follows:

Table 17: Population on ARVs in public health facilities

Clinic	Number
Margate	1 152
Marburg	1 333
Port Shepstone	1 061
Shelly Beach	507
Umtentweni	584
Total	5 804

Ugu dept. of Health 2014

Given the limited resources and strained health system, the demand for ARV's is outstripping the capacity to deliver. Of concern is the long term sustainability and equitable distribution of the roll-out programme. Pressure to meet target numbers must be tempered by the need for rational drug use by dispensers, providers and consumers.

The following table detail patients on ART at clinics and hospitals around HCM.

Table 18: Provision of ART

Clinic	Data Element Name	Dec-14	Grand Total
Bhobhoyi Clinic	Total clients remaining on ART at end of the month	898	898
Bhomela Clinic	Total clients remaining on ART at end of the month	1,207	1,207
Braemer Clinic	Total clients remaining on ART at end of the month	402	402
D Farrell TB Hosp	Total clients remaining on ART at end of the month	61	61
Gamalakhe CHC	Total clients remaining on ART at end of the month	3,476	3,476
Gcilima Clinic	Total clients remaining on ART at end of the month	1,370	1,370
Hibiscus HTA clinic	Total clients remaining on ART at end of the month	0	0
Ludimala Clinic	Total clients remaining on ART at end of the month	700	700
Madlala Clinic	Total clients remaining on ART at end of the month	448	448
Marburg Clinic	Total clients remaining on ART at end of the month	3,764	3,764
Margate Clinic	Total clients remaining on ART at end of the month	3,465	3,465

Murchison Gateway	Total clients remaining on ART at end of the month	3,073	3,073
Murchison Hosp	Total clients remaining on ART at end of the month	1,804	1,804
Mvutshini Clinic (HC)	Total clients remaining on ART at end of the month	688	688
Ntabeni Clinic	Total clients remaining on ART at end of the month	1,925	1,925
P Shepstone Clinic	Total clients remaining on ART at end of the month	1,861	1,861
P Shepstone Hosp	Total clients remaining on ART at end of the month	151	151
P Shepstone Mob 3	Total clients remaining on ART at end of the month	0	0
P Shepstone Mob 5	Total clients remaining on ART at end of the month	0	0
P Shepstone Mob 7	Total clients remaining on ART at end of the month	0	0
P Shepstone Mob 8	Total clients remaining on ART at end of the month	0	0
P Shepstone Mob 9	Total clients remaining on ART at end of the month	0	0
Port Edward Clinic	Total clients remaining on ART at end of the month	1,662	1,662
Shelly Beach Clinic	Total clients remaining on ART at end of the month	876	876
Southport Clinic	Total clients remaining on ART at end of the month	1,936	1,936
Umtentweni Clinic	Total clients remaining on ART at end of the month	828	828

Source: Department of Health 2014

There are two public hospitals (Port Shepstone and Murchison) and two private hospitals (Hibiscus and Margate) and 43 mobile clinics. There used to be seven clinics that were run by the Hibiscus Coast Municipality and 11 run by the provincial Department of Health but since September 2012 all clinics are under the provincial government. All clinics have access to electricity, water and sanitation. According to the Department of health's report, HCM has enough clinics, but communities in rural areas complain of long distances they walk to access these facilities. During the recent Mayoral Izimbizo, most communities requested for clinics to be constructed in their areas. Some communities had concerns with regards to staff attitude and level of service in some clinics. The following table gives clinic location and operational period.

Table 19: Clinic location and Operating Period

Name	Cluster	Operational
Port Shepstone	2	5 days
South Port	1	5 days
Umtentweni	2	5 days
Shelly Beach	5	5 days
Margate	5	5 days
Marburg	3	5 days
Port Edward	7	5 days
Bhobhoyi	3	7 days
Bhomela	3	On call
Gamalakhe	4	24 hours
Gcilima	6	24 hours
Ludimala	6	On call
Madlala	1	On call
Ntabeni	7	24 hours
Mvutshini	6	24 hours

Source: Department of Health

Phila Mntwana update

Phila Mntwana is a programme that the Department has embarked on in some communities within the Municipality. The aim of this project is to curb the infant mortality.

Table 20: Clinic Ward functionality

Phila Mntwana Center	Ward	Functioning
Mkholombe	2	Fully
Masinenge	3	Fully
ManzaMhlophe	5	Fully
Oshabeni Tribal Court	4	Fully
Braemar- mobile library and Community hall;Phila Mntwana Center	1	Fully

Department of Health current projects

- NIP site in partnership with the Department of well fare
- Partnership with TDSA
- Health promotion in schools with partnership with the Department of Education
- Step down with Genesis.

To combat the issue of the pandemic disease, the Department has partnered with a few NGOs such as ECAP and Dram Aide. There are 226 MMC (school health teams, 30 MMC mobilisers. Both male Female condoms are being distributed.

Hibiscus Coast Infrastructure as at 31 January 2014

Table 21: Health Sector: Capital Projects

Project Name	Scope of work	Progress	Estimated project budget	Project comments
Murchison Hospital	General and TB	58%	R92 000	In progress
Gamalkhe CHC	New CHC, Phase	79%	R28 388	In progress
Port Shepstone Hospital	Kitchen roof	98%	R3 100	Awaiting completion
Road signage for all clinics	Road signage	30%	-	In progress by DOT

There are Capital projects that are currently on hold due to lack of funding. These include Bhomela clinic, Ludimala clinic Port Shepstone hospital.

Current maintenance and upgrade plan

- Bhobhoyi clinic upgrade
- Extension at Ntabeni clinic
- Madlala clinic maintenance
- Gcilima clinic upgrade
- Bhomela clinic

Some clinics have had unplanned maintenance projects such as the one at Bhobhoyi where repairs to carport roof, repairs to gate house side walk and repairs to garden store doors.

The Department of Health within the Ugu District Municipality prepared a Strategic Plan in October 2006 which is currently under review and has been communicated with local municipalities. All clinics are part of the ARV rollout programme where they provide Modules 1, 2, and 3 of the programme. This entails screening, counseling, taking blood samples for CD4 counts. Department of Health has partnerships with the University of KZN, Genesis, Two Tunics, Positive Ray, Local Government and Broad Reach which have strengthened the programme's roll-out.

Land has been identified and transferred to the Department of Health in the following areas:

- Lot 1058 Protea road for the community health centre at Marburg to provide a 24hour service with a maternity unit
- Lot 202 David Drive for a new clinic in Hibberdene, considering that there is no clinic in the area also the envisaged influx into the area due to the proposed harbour development
- Lot 727 in Southport to extend the capacity of the existing clinic
- Lot 191 Banners Rest to relocate and extend the capacity of the Port Edward Clinic

In terms of dealing with backlogs on health facilities, the Department plan shows the following new clinics extensions.

- Gamalakhe Phase 2
- Marburg Clinic
- Hibberdene clinic
- eNtabeni clinic

State of Health facilities

HCM, according to information supplied by the Health Department, has sufficient clinics, but due to the influx of people from the neighboring Province, (Eastern Cape) and other municipalities, there is a need to build more. In deep rural areas, there are insufficient clinics though, and people walk long distances to get to them. The severely sick and the elderly barely make it to these facilities. Even though wards are clustered, the wards are very wide and find that a health facility is situated in one ward; people from the neighboring wards still have to walk long distances to get there. At times they have to use public transport which is quite costly considering that many are unemployed.

According to goal number of 3 of the PGDS, enhancing health of communities and citizens must be prioritized. HCM has five mobile clinics, sixteen fixed clinics and one community health center at Gamalakhe. Entabeni clinic functions as a maternal etic unit (specializes in normal deliveries). The District has made many attempts at improving the health status of its population. In some areas it, has made progressive improvements and sustained them while in other areas it has not managed to sustain gains. It should be noted that on daily basis there is a high number of people visiting clinics.

1.2.12.4 Department of Health SWOT Analysis

Strengths	Weaknesses
• Good access to public facilities and institutions • Political tolerance • Good access to hospitals both private and Public. • Most health care centers are part of the ARV roll out programme • Active rights of children programmes	• Many people are affected by HIV and AIDS • High unemployment rate • Lack of skills • Lack of sporting and recreational facilities • Lack of access to higher learning including bursaries • Shortage of schools, mainly in the rural areas particularly primary schools
Opportunities	**Threats**
• Almost all communities have access to health facilities	• More clinics in rural areas needed • More need for disaster centers and facilities • Poor work ethics in some clinics • High levels of crime • Exposure to drugs and alcohol abuse • Limited resources and strained health system

1.2.12.5 Safety and Security

National outcome number three mentions social protection. The Constitution of the Republic of South Africa in section 152 (1) (d) also states that municipalities should promote safe and healthy environment. The 1998 White Paper on Safety and Security encouraged municipalities to play a vital role in crime prevention in partnership with different stakeholders and key-role players, taking into cognizance that crimes happen at local level and the local municipalities are closest to people. The White Paper sees objectives of local government with regards to safety and security as:

- To create an efficient and visible policing in all the areas particularly in residential areas and CBD areas;
- To improve on service delivery and rendering efficient service to members of the public;
- To improve service for effective crime monitoring;
- To provide a safe and secure environment (routine vehicle checks and routine patrols).



The Municipality is concerned about the safety and security of its residents and tourists. Crime is a complex phenomenon and varies from community to community therefore requiring different strategies and solution to suit each situation and crime level thus the municipality has developed safety strategies in partnership with SAPS and the Department of Community Safety and Liaison. These strategies are aimed at addressing crime at all levels and all communities in a short and long term basis. HCM crime prevention strategies are aligned to the National and Provincial crime and prevention strategies which emphasizes the importance of fighting crime as a threat to our democratic order and development. Community Safety Forums have been established and are well functioning. These forums constitute of the members of the Ward Committees, Community Policing Forums and School Safety Committees. Such forums serves as a coordinating mechanism of government and civil society representatives address our community's safety needs. The municipality has a feasible crime reduction strategy and the concerned department consistently reports on it and its achievements and challenges on quarterly SDBIP which is linked to the municipal IDP and budget. During the IDP Representative Forum the municipality together with SAPS report on crime levels and trends. HCM IDP sessions prescribe to the national requirements of strengthening interactive, participatory and transparency and community involvement in developmental issues.

It is important to align municipal planning with province and SAPS plans, share resources and information and find a common ground to deal with challenges and to encourage and assist each role player to meet its mandate. The Department of Community Safety and Liaison has played a major role in crime awareness and providing trainings. The Hibiscus Coast Municipality continues to seek partnership with the District Municipality, private sector, province and other social partners in fighting crime.

The municipality has developed a safety plan however the plan is due for review to fully address the national safety objectives and to further align to the Provincial Department of Community Safety and Liaison's Safety Strategy. The municipality has requested technical assistance from the provincial department to develop the plan however no positive response yet.

South African Police

There are two police clusters within the municipality, based at Margate and Port Shepstone respectively. Both units are highly involved in ensuring that crime is non-existent both in rural areas as well as in urban area. To combat crowd disorderliness and preserve order as well as support where required, there is a unit based in Port Shepstone that undertakes this task. It is the called Public Order Policing unit under the SAPS.

Margate Cluster

Geographic Approach

The Geographic Approach consists of specific interventions to address crimes that are concentrated in certain geographic locations in the Cluster. The specific aim of these clusters is to enhance co-ordination and co-operation and to facilitate an integrated approach to address crimes in these locations. Operational plans are driven by multi-disciplinary teams within the identified Crime Threat areas in order to effectively implement the Geographical Approach. This implies that the SAPS will approach policing in an integrated manner by creating multi-disciplinary teams, under one operational management structure, to police the high crime areas.

Community Partnership Approach

One of the cornerstones of policing is community involvement in the policing of the various communities. Of all the partnerships the cluster is engaged in, the most important one is with the general community it serves. This partnership encompasses all three policing styles viz Democratic Community Policing; Problem-Solving Policing and Partnership Policing. Apart from the informal partnership between the personnel and the community at grass root level on a daily basis, the Chairpersons and the community members of the Community Police Forums; Community Police.

Sub-Forums and the Provincial Board engage in a structured manner with the SAPS and other Departments at all levels on a voluntary basis. In addition to this, numerous community members have enrolled as reservists who offer an invaluable service to the general community. Others offer their services voluntarily as counsellors, social workers and administration clerks. We will continue to strengthen this partnership. In addition to the above, Business Against Crime (BAC) offers an invaluable service to this Province.

1.2.12.6 Cemeteries

The Municipality has five cemeteries, namely Oslo Beach Cemetery, Port Shepstone Cemetery, Kwa Nositha Cemetery and Margate Cemetery. There is also a private Cemetery at Izotsha.

1.2.12.7 Access to libraries

The Municipality has fully operational libraries in both rural and urban areas. However, there is insufficient of them in rural areas. Through recent planning workshops held, it was revealed that many communities lack this service, or walk long distances to access them and it is a big concern in the evenings as the mobile ones are closed and is the perfect time for students to access information as during the day are at school. The library section falls under the Department of Community Services, has one Manager and very competent staff. All libraries within the Municipality are fully operational except on Sundays and public holidays. There are five mobile libraries in rural areas, with one fully fledged library at Kwa Ndwalane Tribal Authority. The urban areas consist of eleven libraries and one at Gamalakhe Township. There are three cyber cadets in three libraries who train patrons on the use of computers. Tertiary books as well as school projects books are some of the facilities the libraries have.

1.2.12.8 Access to recreational facilities

There are three depots within the municipality, situated at Hibberdene, Port Shepstone and Port Edward. Each depot is run by a manager who reports to the Head of Department under the Community Services Department. Municipal workers run the day to day maintenance of the municipality. Other than ensuring the cleanliness of the municipality in terms of verge cutting, site clearances, street cleaning, waste removals etc, there are also functional recreational areas that are taken care of. Each depot has a number of recreational facilities open to the public and are fully functional. It is a concern though that in rural areas such facilities are not found due to lack of funds to develop them.

1.2.12.9 Thusong Service Centers

There are four Thusong Service Centres in the municipality. Two of these centres are fully operational while two are not yet. These centres provide government services in rural areas as they are used as pension pay points, crèches, craft projects, etc. Below is a list of four existing Thusong community areas:

- KwaNzimakwe (Thongasi)
- Nyandezulu
- KwaMadlala and
- KwaXolo (Gcilima)

1.2.13 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

Strengths	Weaknesses
• Good number of formal jobs in the Ugu DM family of municipalities • Quarterly economic reports since 2012 showing positive signs of growth • Tourism industry as one of the prominent economic drivers • The coast stretching from Hibberdene to Port Edward consisting of 29 beaches • Located along the Tourism and Agricultural corridor in terms of the PSEDS • Increase in the property and construction industry and vehicle sales data • Operational Margate Airport weekly scheduled flights to OR Tambo airport.	• High youth unemployment • Limited coastal-hinterland linkage • Narrow roads, increasing traffic congestion. • Generally poor road network • There is a general lack of market infrastructure.
Opportunities	**Threats**
• Intermodal Transport Facility at advanced planning • Margate Airport scheduled flights growing daily -Major tourism and entertainment events- Ugu Jazz festival, Harley Davison Afrika Bike week and SA Women Open European Tour Golf Tournament.	• The perception of the south coast as a retirement area • Most traders are not authorized to udertake street trading • Pressure on the available infrastructure due to informal trading causing chaos • Current infrastructure not coping with growing population

1.2.14 Key Challenges

Key Challenge	Description
1. Agriculture	Small emerging Black farmers in the hinterland lack expertise. They also lack funding. Land for agricultural purposes is limited. There are very few stock farmers.
2. Food insecurity	The Municipality is experiencing a high rate of food insecurity more especially in the rural areas**.**
3. Informal sector	The informal sector forms a vital part of any emerging economy. Within HCM, -They lack provision of suitable facilities -There is high concentration along the taxi ranks which create pressure on available infrastructure and cause chaos - There is lack of regulation and there is lack of market infrastructure
4. High youth unemployment	The number of youth that is unemployed is high and this increases on yearly basis. There is very little mechanism to address the economic needs of the youth in terms of their geographic demographics i.e. urban or rural. There is also lack of information/communication measures more especially in the rural areas.
5. Education	-There is a shortage of schools, especially primary schools in rural areas**.** A number of schools have no access to both clean water and electricity. They also lack proper equipment. Urban schools are highly concentrated -The number of higher education qualification holders is not pleasing.
6. Health issues	- Child mortality rate is high in informal settlements due to health hazards - Teenage pregnancy is high -HIV/AIDS prevalence is high
7. Safety and security	- Crime is high in urban areas - There is very little police visibility



1.3 Cross Cutting Issues Analysis

1.3.1 Spatial Planning and Environmental Analysis

1.3.1.1 Provincial and Regional Context

The KwaZulu-Natal province is well-known and characterised by its undulating topography. The coast-line along both the northern and southern coast together with the river systems have defined the primary catchments for the development of towns and cities throughout the province. A second major structuring element along the KwaZulu-Natal south coast is the national mobility route, the N2. The N2 provides the only direct north/ south link between KwaZulu-Natal and the Eastern Cape. The KwaZulu-Natal south coast is a case in point to this theory – a town is located every 10/15 kilometers along the N2. The N2 can be seen as the main contributor of the organic growth and development within the Hibiscus Coast Municipality.

Hibiscus Coast Municipality covers an area which is approximately 837 square kilometers in extent. The municipality's coastline runs from Hibberdene to Port Edward, covering approximately 68km. The municipality is situated along the coastline in the southern portion of KwaZulu-Natal. HCM is locked between the Indian Ocean on the Eastern part while Umdoni local municipality boarders the North Eastern part, Umzumbe local municipality boarders the Northern part, Izinqoleni Local municipality boarders the Western part. South of the municipality lies the Imbizana local municipality (Eastern Cape Province). The municipality consists of eight urban nodes and six traditional authority areas as indicated in the Situational analysis. The towns are located along the urban strip while the traditional authority lands are located in the hinterland of the municipality. The region has an extensive range of natural assets, particularly the coastline, which have attracted a range of development opportunities into the area over time.

HCM is experiencing continuing urbanization. Along the coastal belt, the infrastructure is well developed and the economic growth is relatively well developed. However, the hinterland is characterised by poor infrastructure provision and a large number of formal and informal settlements not well connected to the coastal settlements where economic activities and infrastructure is concentrated. The SDF recently developed, highlights this linkage challenge and prioritises the creation of opportunity for the people that shadow the coastal corridor. According to the Integrated Development Framework Draft Discussion, 2014, the projected urbanization and population growth show that by 2030 the majority (70%) of South Africans will be living in cities and towns as urban centres provide job creation and great opportunities

for addressing the challenges of poverty, inequality and the ability to achieve the required social and economic transformation. In this regard therefore, there needs to be a coherent strategy that seeks to achieve the goals of economic development, job creation and improved conditions for all citizens.

Population growth within the Hibiscus Coast Municipality has substantially increased over the years. Based on the 2011 census data, HCM has the first highest population concentration within the UGU District Municipality. The dominance of HCM in terms of population is undoubtedly due to its role as the economic hub of the district which also attracts the labour force. The population group breakdown in terms of racial groups, has been made and it was found that, it is a generally representative of the trend in rural KwaZulu-Natal where African population group represents more than 91% in the UGu District and 82% in the Hibiscus Coast Municipality of the total population, and also the majority of residents within the study area indicated that IsiZulu is their home language, with a minor number of residents also speaking English, Xhosa and Sesotho. The Municipality consists of 29 wards, eight town centres and six traditional authority areas. The 8 town centres are:

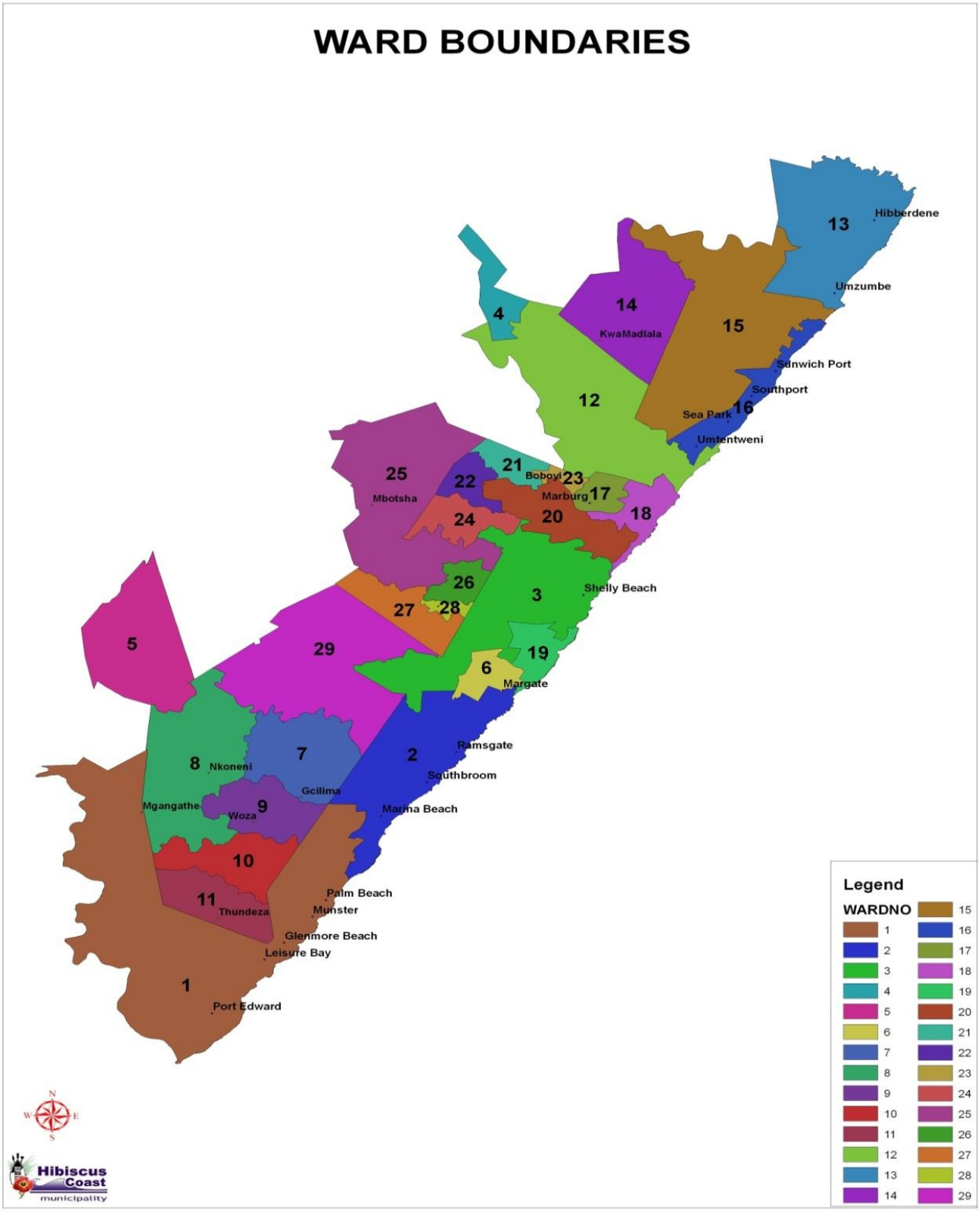
- Hibberdene
- Port Shepstone
- Shelly Beach
- Uvongo
- Margate
- Ramsgate
- Southbroom
- Port Edward

The Traditional Authority areas are:

- KwaXolo
- KwaNzimakwe
- KwaNdwalane
- KwaMadlala
- KwaMavundla
- Oshabeni

In the following page is a map showing the municipality's 29 wards. They vary according to size and population. The highly concentrated wards in terms of population are along the Coastal belt due to economic factors while the sparsely populated wards are in the hinterland because of little or no economic activity taking place.

Map 5: Ward Boundaries



Source: GIS 2014 Hibiscus Coast Local Municipality



1.3.1.2 Structuring Elements

The N2 running along the coast linking the coastal towns is a major structuring elements within the municipality. This link provides the primary north/ south movement lattice through the municipal area. Secondary but still critical north/ south links is R102, R602 and R61. While the N2 runs from Hibberdene to Port Shepstone inland and way from built-up area, R102 runs in the same area but along the sea and through the built-up area. From Port Shepstone all the way to Southbroom about 40 kms down the coast from Port Shepstone, R61 and R602 play the same role as N2 and R102 respectively. P200 is the only north-south link inland of N2 and is only about 30km long. This road links Marburg (i.e. Port Shepstone industrial area to Southbroom). Therefore, there are no developed, well-functioning link roads beyond about 10-15km from the sea.

In the east/ west direction the N2 between Port Shepstone and Harding (outside the municipality's area) is the primary link with a number of secondary routes supporting. This is the main east-west corridor. Other east-west links are P68, P55, D202/P482 and P284. There is a proposed inland activity route which will run parallel the N2. This route will run from Hibberdene and links the connector route from Port Edward to Izingolweni. This is in line with SPLUMA.

1.3.1.3 Existing Nodes and Corridors

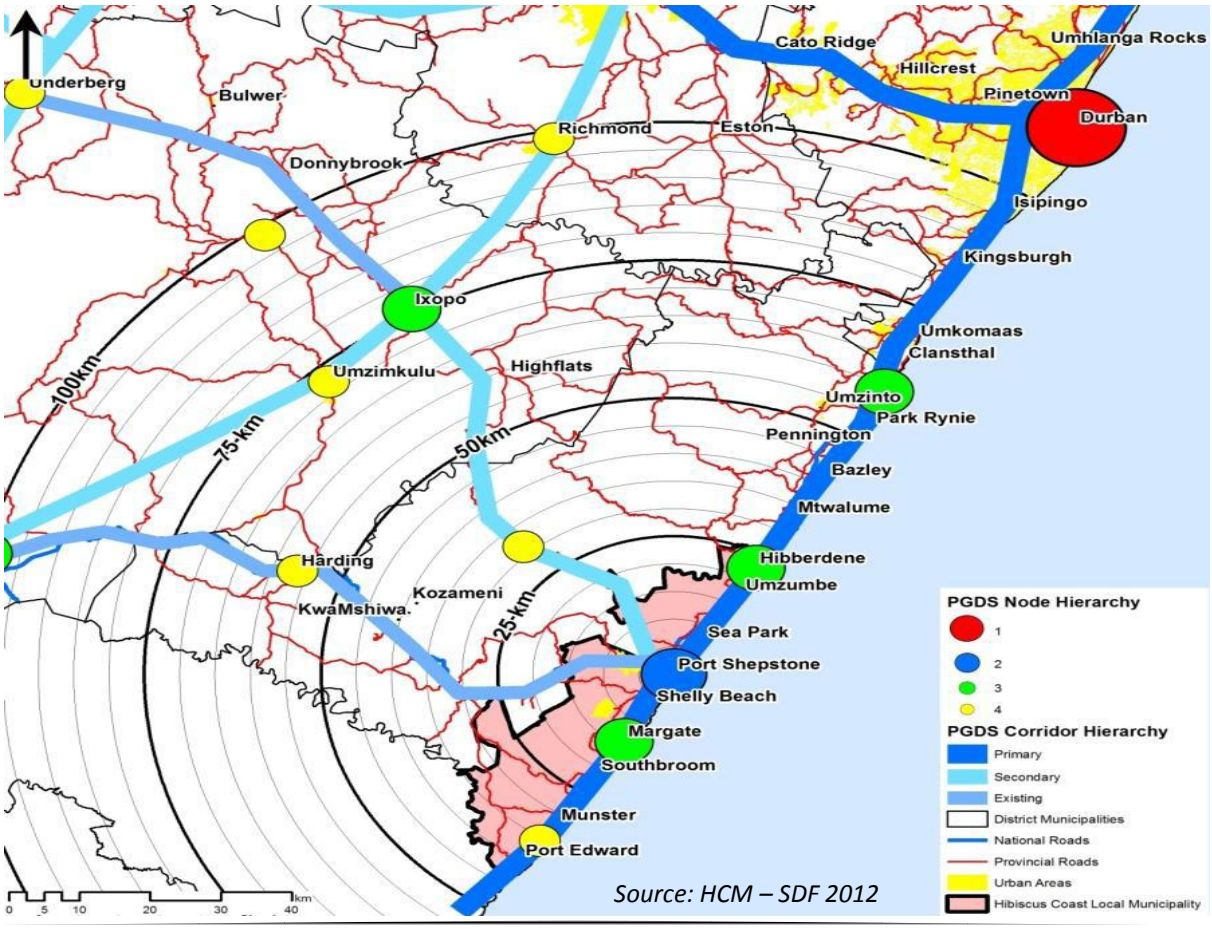
The economic growth is a pre-requisite for the achievement of other policy objectives, key amongst which would be poverty alleviation, government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities). The efforts to address past and current social inequalities should focus on people not places. In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities.

In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resources development and labour market intelligence which would enable people to become more mobile and emigrate, if they chose to, to localities that are more likely to provide sustainable employment or other economic opportunities. In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or link the main growth centres.

Infrastructure investment and development spending should primarily poverty eradication and employment creation' (PSEDS: 2007). A number of primary, secondary and existing corridors have been established along the KwaZulu-Natal southern coast, a combination of which merges within the Hibiscus Coast Municipality. The corridors are complimented by a series of nodes identified as Primary, Secondary, Tertiary, Quaternary and 5th level nodes. The KwaZulu-Natal south coast contains a combination of these nodes – a single primary node is located within the Durban CBD, a secondary node is located within the Hibiscus Coast Municipality at Port Shepstone, four tertiary nodes identified in Ixopo, Umzinto, Hibberdene and Margate, and seven quaternary nodes scattered throughout the south coast within one falling within the municipal area at Port localities that will become major growth nodes into the future.

The provincial government has developed its own Growth and Development Strategy, which is closely aligned to both the Millennium Development Goals and national development goals. The PGDS is essentially a tool through which the provincial government can address the legacies of the apartheid space economy, promote sustainable development and ensure. It is evident on the plan that most of the major nodes are located along the coast with very few inland key node

Map 8: Existing nodes and corridors



Source: HCM – SDF 2012



The Provincial Spatial Economic Development Strategy (PSEDS) identifies Port Shepstone as a Secondary Node in the provincial context and the eThekwini – Ugu Corridor as a primary corridor. This corridor is at the same level as the extremely strong and growing eThekwini–Umhlatuze and eThekwini–Msunduzi Corridors. PSEDS confirms the tourism potential of the South Coast Region as established in the Provincial Tourism Strategy.

Local economic development is one of the municipality's priorities in line with the national key priorities. Strategies have been developed to promote economic and social development aiming to provide job opportunities and reduce the poverty levels. Generally HCM is the most concentrated economic hub within Ugu district municipality with the main economic sectors being tourism and agriculture with some manufacturing occurring in Port Shepstone. As an economic hub, HCM has advantage of influencing the Ugu Regions economic potential, policies and development programmes. Port Shepstone is the major economic hub in the south coast and serves as the administrative centre for both HCM and Ugu District.
The municipality has a local economic development plan in place which is aligned to the Ugu District

The **Primary Corridors** provide public transport linkages and accessibility to the communities at the interceptory points with other movement channels. A range of development opportunities are envisaged along these channels. The Primary Corridors are as follows:

- The N2 runs North/South parallel to the coast up to the Marburg Interchange, from where it continues in a westerly direction forming the primary inland link to Harding, Kokstad, Matatiele and onwards towards the Eastern Cape.

- The R61 runs from the Marburg Interchange to complete the North-South Primary Transport Route to Port Edward. Should the Wild Coast Spatial Development Initiative be completed in its entirety, this will link right through to Port Elizabeth.

- The N2 links the Hibiscus Coast with Scottburgh (Umdoni Municipality), Ethekwini Metropolitan Municipality to the North and King Shaka International Airport.

Moreover air transport (Margate Airport) also serve as the primary corridors in the municipality as these play a major role in the promotion of tourism. In order to improve accessibility to the inland areas and to create potential inland tourism routes, Main and District Roads have been highlighted for upgrading and regular maintenance as **Secondary Corridors**.



The role of the R620 (Old Main Road) that runs from Hibberdene along the coastline as far as Ramsgate as a **Primary Tourism Corridor** is to be maintained and strengthened. Along this corridor there are various tourism attractions such as swimming beaches and commercial nodes. The **Secondary Tourism Corridor** (inland) is to encourage the spread of tourist facilities to the inland component of the Municipality. This corridor has potential to unlock tourism and business potential of the area. The sustained development of tourism facilities is dependent on the capacities of supply services networks, and it is essential that the IDP's capital development programme is aligned to these corridors

In terms of the Nodes, there are:

- Primary Commercial and Tourism/Recreation
- Secondary Commercial and Tourism/Recreation
- Secondary Node
- Rural Service Node
- Opportunity points/Commercial

The primary nodes are fed by development corridors in terms of people and physical thresholds. There is provision of concentration of different activities and services at areas as identified in the SDF Map. The Secondary Commercial and Tourism/Recreation areas are identified along the coastal strip and have tourism and related business potential. In terms of simple secondary nodes, the peri-urban area of Murchison Bhobhoyi is a dense settlement along the N2. This area needs formalisation in terms development planning so as for easy provision of services to the community. The rural service nodes are usually the most accessible location within an acceptable walking distance of a particular community. These were identified in Nyandezulu, Thongazi (Kwa Nzimakwe), and Gcilima (Kwa Xolo) and St Faith's area (Kwa Madlala) where MPCC's have been constructed. These areas have potential for the location of multi- purpose community centres (to include clinics, AIDS support services, library, adult education and skills training and computer facilities). The provision of employment opportunities is to be encouraged at these points as well as tourism development which may take place at a higher density than in other areas.

Mix of uses (excluding administrative functions) indicates the mix of different types of facilities found in the different nodes; and in particular the total number of individual units of activities.

The types of Nodes are as follows:

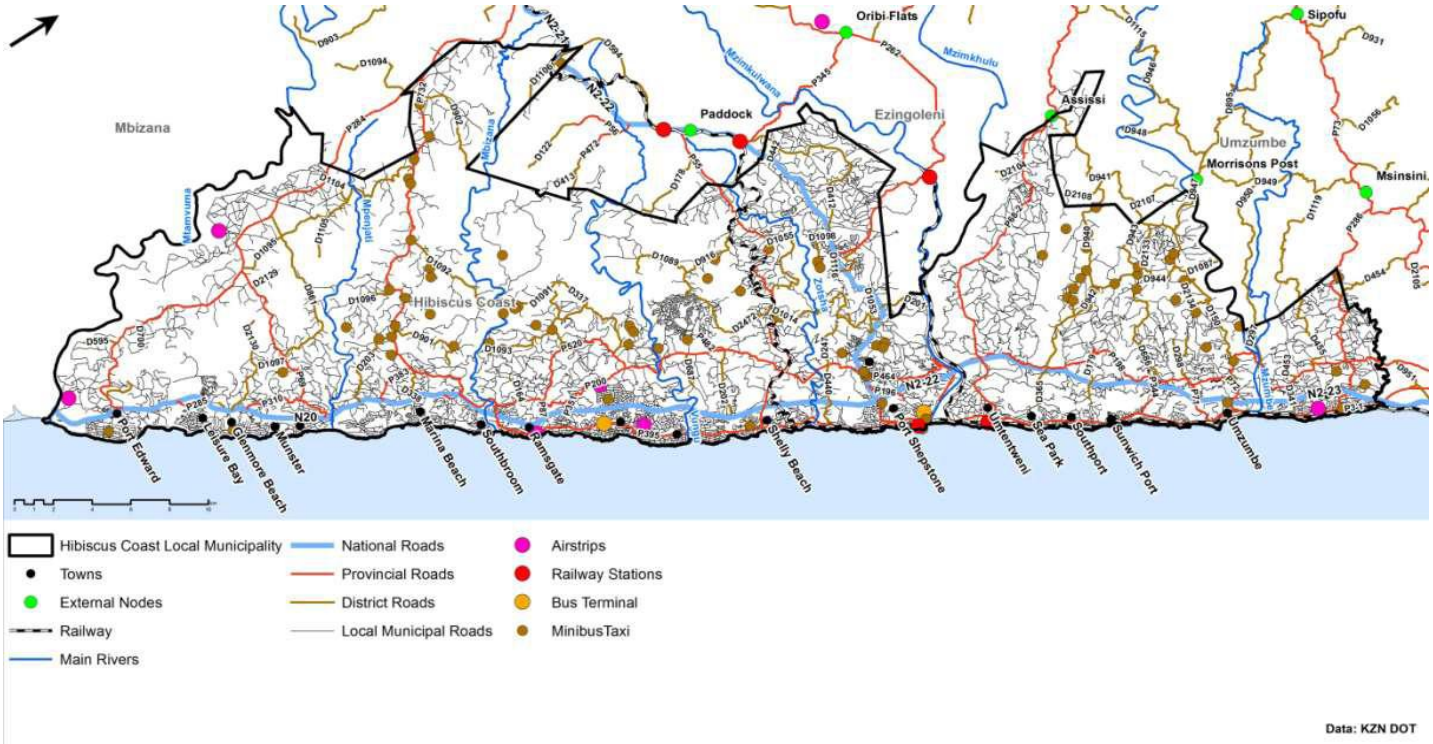
Table 22: Nodes

Type of Node	Place
Mixed-Use Large Community Node	Port Shepstone and Margate
Mixed Use Small Community Node	Shelly Beach
Mixed-Use Large Neighborhood Node	Port Edward
Mixed-Use Neighborhood Node	Hibberdene, Uvongo, Munster, Ramsgate, and Marburg
Large Convenience Node	Umtentweni, Southbroom, Anerley, Umzumbe and Sea Park
Small Local Convenience Node	Oslo Beach, Glenmore Beach and Izotsha
Rural Service Centers	There are no foci that operate as Rural Service Centers at this stage, but some Activity points could be upgraded to perform this role. These are: Boboyi, Assissi, Gwababeni, Gamalakhe and Murchison

1.3.1.4 Multi use Community Level Nodes

Port Shepstone – Port Shepstone represents the core commercial and industrial activity in the Ugu District Municipality and serves the local population as well as offer commercial, retail and wholesale services to the large region. Of all the centres in Ugu, it attracts the largest number of people and is also then a transport transfer point serving the rural areas. The SDF states that over the past two decades the market served by Port Shepstone has changed and it now also serves the retail/ commercial needs of the rural population.

Map 9: Multi use community level nodes





Shelly Beach – Shelly Beach is perhaps the fastest growing centre in the Ugu District and over the past decade the expansion of one, and the development of a new, small regional shopping centre has increased the prominence of Shelly Beach in the District economy.

Areas identified for future economic focus

Secondary development node servicing the Regional economy and with multi-sectoral development potential The Port Shepstone – St Faiths – and Ixopo corridor was identified as a secondary corridor with agriculture and tourism playing a significant role; Tertiary Development Nodes servicing the sub regional economy Margate and Hibberdene

Quaternary development nodes servicing the localized economy-Port Edward and St Faiths (HCM 2007-2012 IDP Review, March 2007).

- Development of sugar cane and banana production potential on Trust land;
- Alignment of land reform initiative with opportunities presented by Fresh Produce Market;
- Expand agri-processing capabilities and capacities to allow for new entrants to commercial agriculture; and
- Development of further agri-processing capabilities in Port Shepstone – bio fuels, bananas.

Expand on adventure and eco-tourism opportunities: Oribi Gorge and Aliwal Shoal; New N2 Wild Coast route: assess impact of this and develop strategy to access opportunities; and Develop opportunities related to Margate Airport.

Local production and supply - The Bhobhoyi organic garden supplies spinach to the Manaba and Shelly Beach Spar. The Ugu Fresh Produce is another supply of fresh vegetables and fruits and supply major supermarkets within the municipality. The municipality has supported lots of community gardens and cooperatives which need a market to sell their produce.

Primary Tourism Corridors

The role of the R620 (Old Main Road) that runs from Hibberdene along the coastline as far as Ramsgate as a Primary Tourism Corridor is to be maintained and strengthened. Along this corridor there are various tourism attractions such as swimming beaches and commercial nodes.

1.3.1.5 Land Cover and Broad Land use

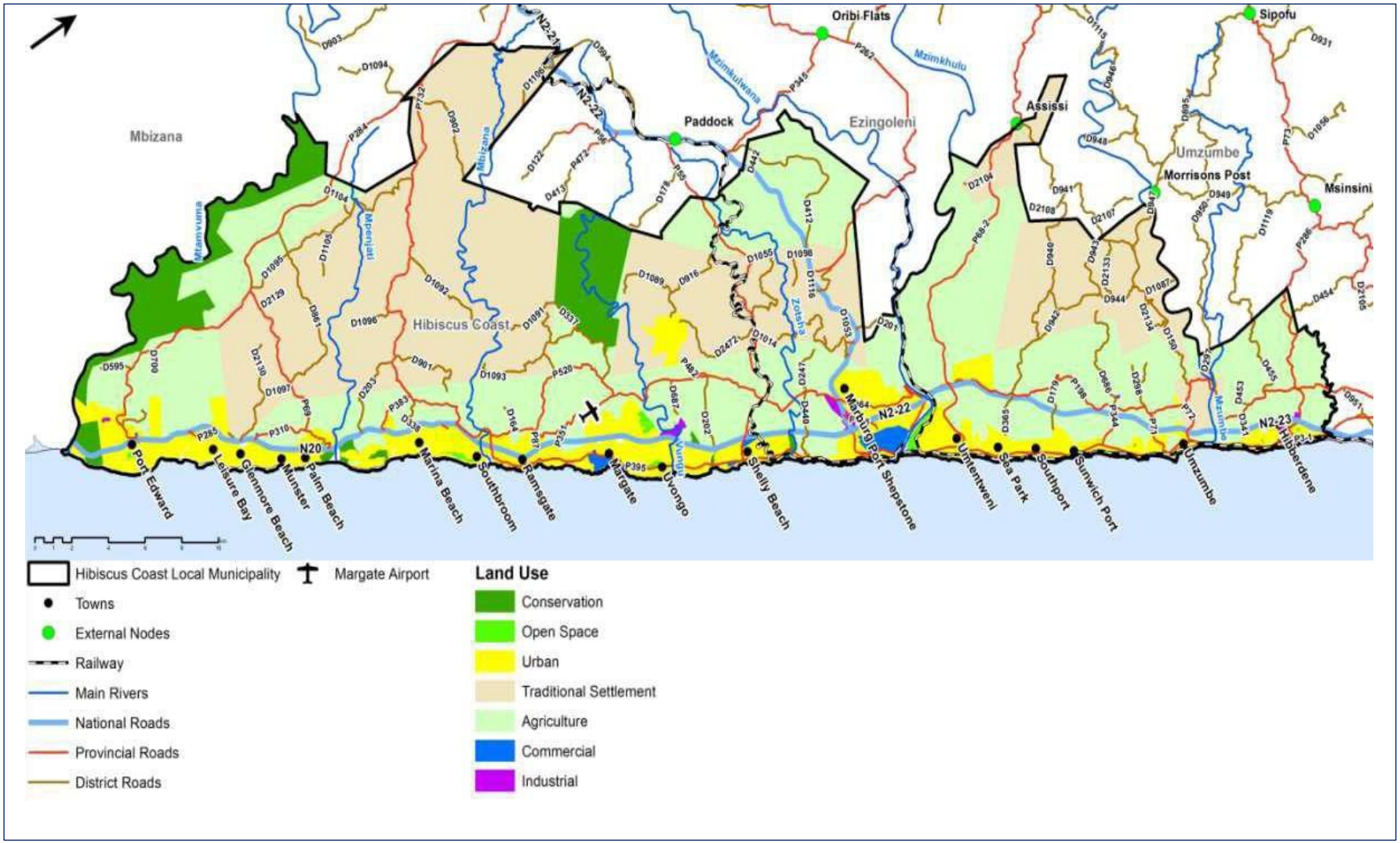
This map (Map 10 – Page 87) is a composite of Land Use, Analysis and Proposals.
For example: It demarcates broad land use Areas identified for conservation purposes, which is analysis rather than a land use category. However, these areas identified under Land Cover and from the Conservation Map indicate its potential use; proposed areas are also indicated on the Land Use Map.

The basic land use framework identifies; A clear urban area along the coastal foreground. This strip however does not represent a continuous band of urban development. It is made up of segments of urban areas located at the coastal towns, of which the intensity of development varies. The urban settlements are shaped by the rivers and main roads which run both vertically and horizontally dividing the landscape.

Greater economic concentrations are located around the larger coastal towns of Port Shepstone and Margate, and to a lesser degree Hibberdene, Shelly Beach, Ramsgate and Port Edward.

Along the N2, predominantly on the inland side a number of industrial areas have been located, namely, the areas west of Port Shepstone –Harding, a quarry along the Vungu River as well as smaller areas identified at Hibberdene and Port Edward; An agricultural band lies behind the urban coastal strip between the land identified as Traditional Settlement and the coast; Traditional settlement and traditional agricultural practices lie to the west of the Traditional Authority Areas. A number of undetermined areas have been identified within the Hibberdene areas as well as along the coastline between Marina Beach and Port Edward.

Map 10: Land Use



Source: HCM SDF 2014

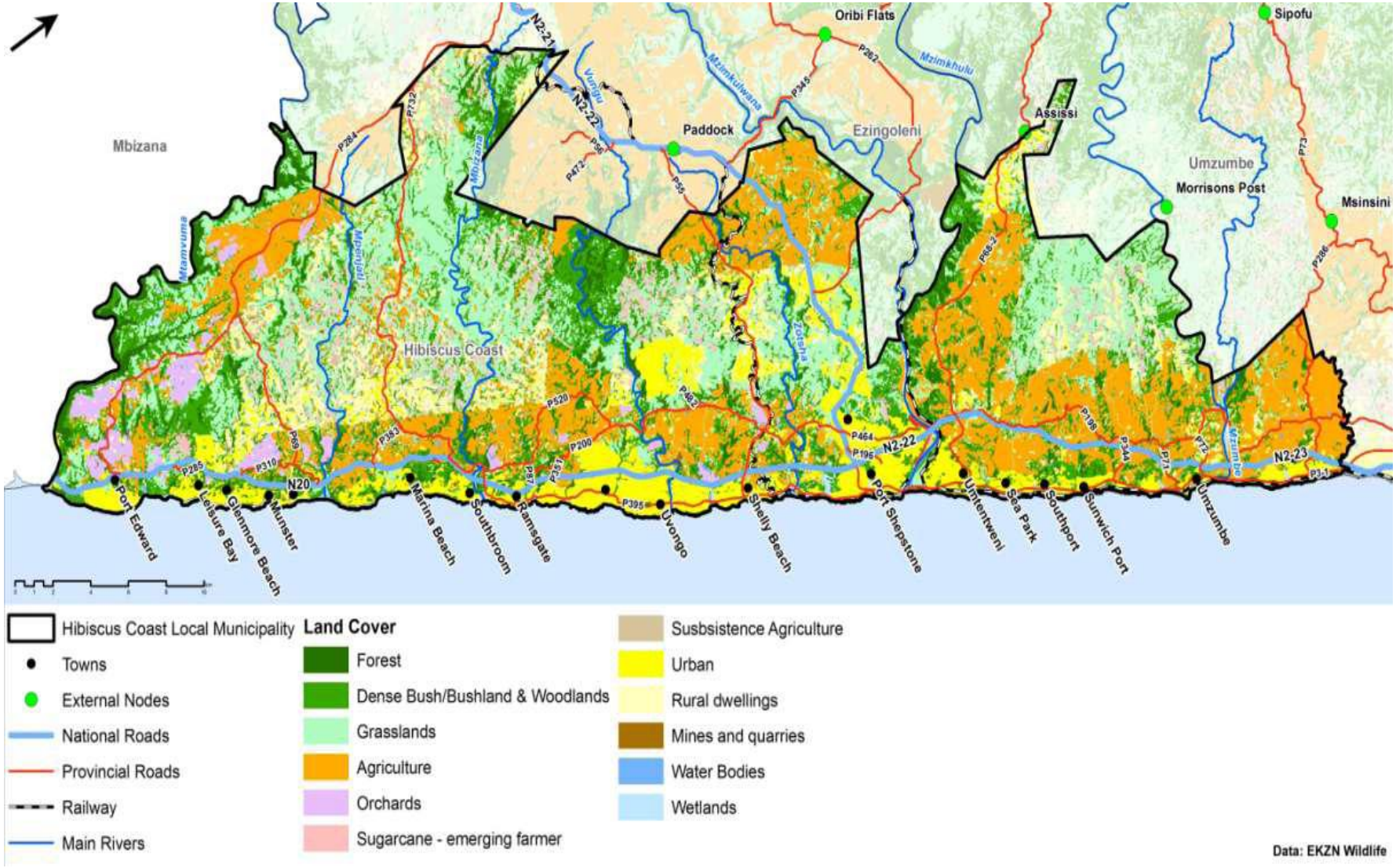
Agriculture:

Agricultural dominance within the region is identified as a mix of commercial sugarcane farming, subsistence farming as well as permanent orchids growing banana's and citrus fruits. These orchids are concentrated towards Port Edwards along the south-western boundary. Sugarcane farming is located within four primary areas – firstly between Hibberdene and Umtentweni straddling the N2 moving inland up the P68-2, Inland along the N2 between Shelly Beach and Marina Beach, a cluster is located south of Paddock as well as on the P284;

Natural Land Cover

A large portion of the municipal area has been classified as Grasslands. These Grasslands are located in areas where the topographical slope is predominantly greater than 1:3. These steep areas also largely occur within the Traditional Authority areas and are also characterised by a number of minor tributaries. Forests and dense bush are less predominant within the municipality and are found mainly within the formally protected reserves, namely UMtamvuma and Mbumbazi:

Map 11: Land cover



1.3.1.6 Land Ownership

There are two programmes that are in place to assist communities who either their land was forcefully taken from them after the Land Areas Act of 1913 or want to buy land from White farmers. After land had been bought, communities are assisted with farming skills. To some extent, land ownership is proving positive as many previously disadvantaged communities now have reclaimed their ancestral land.

Land ownership within the Municipality is broken down into the following Land Ownership categories:

- Unknown
- Association Trusts, Churches
- Corporate Land
- Ingonyama Trust Land
- Private and State Land

Unknown, Association, Trusts and Church Land

Large portions of the coastal strip together with the land on the eastern boundary are unknown. It is therefore presumed, because of the nature of the area, that the majority of the land along the coast is privately owned, with the remaining intermediate pockets in state, association, trust or church owned.

State Land

State owned land is evenly scattered throughout the municipality with one sizable piece wedged between two large portions of the Ingonyama Trust inland from Ramsgate.

Ingonyama Trust

Substantial portions of land within Hibiscus Coast are owned by the Ingonyama Trust Board. These land holdings are located within three large groups in the municipal hinterland. The custodian of these Lands is COGTA.

Corporate Land

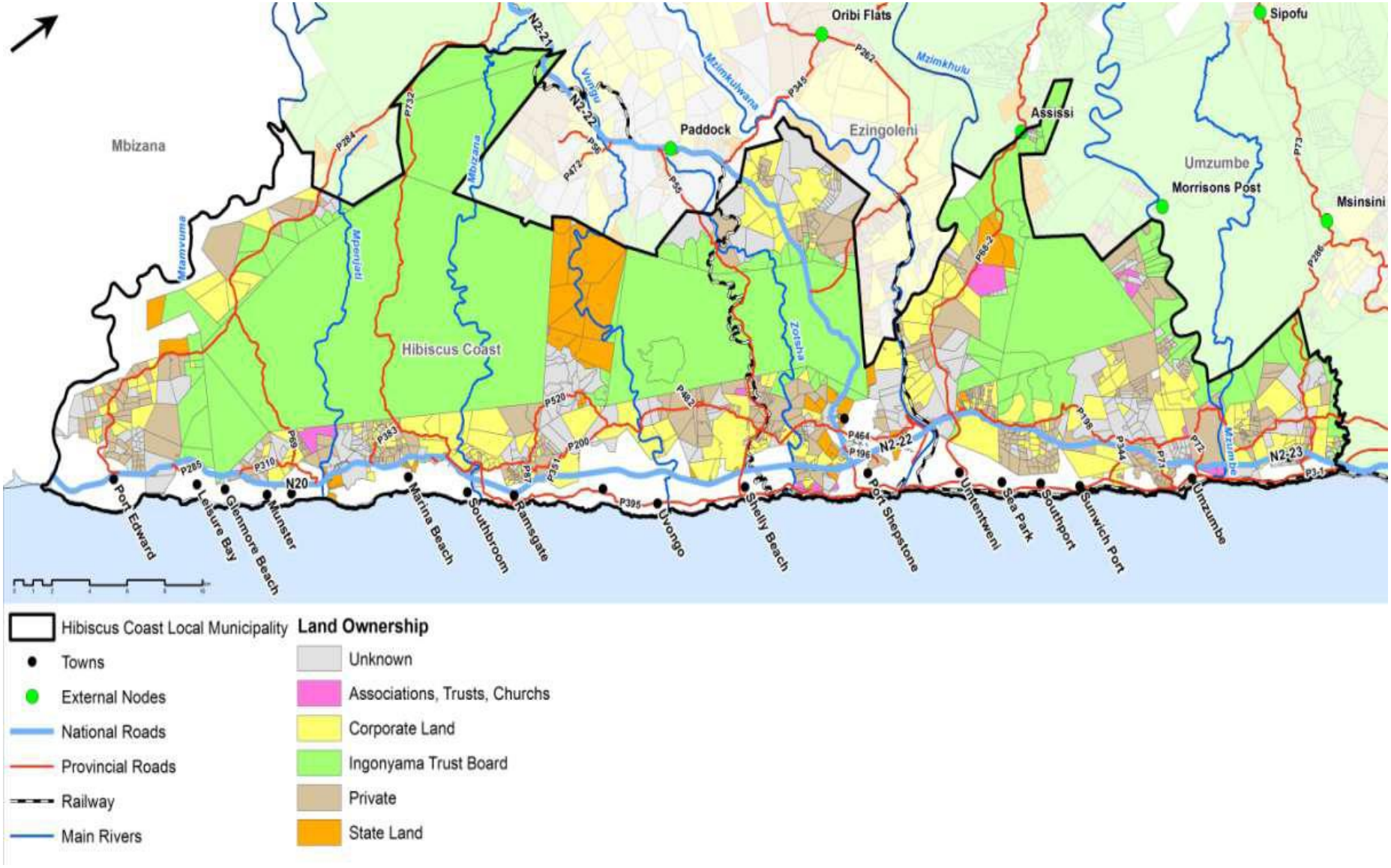
Corporate land is evenly distributed throughout the municipality. SASSA leases out land for different purposes, Agricultural purposes and business purposes.

The District is like most others in the country facing challenges in improving quality of life amidst high levels of poverty and unemployment and low levels of economic growth. In terms of the spatial profile the district displays a dual space economy with a largely urbanized coastal zone that is performing reasonably well and a largely impoverished rural interior with huge commercial farms (sugar and bananas) and large numbers of subsistence farmers.

Land Ownership Map

HCM comprises of land that is owned and governed by different statutes and bodies, it is however evident that some land cannot be associated with owners as the legend clearly stipulates.

Map 12: Land Ownership



1.3.1.7 Land Reform

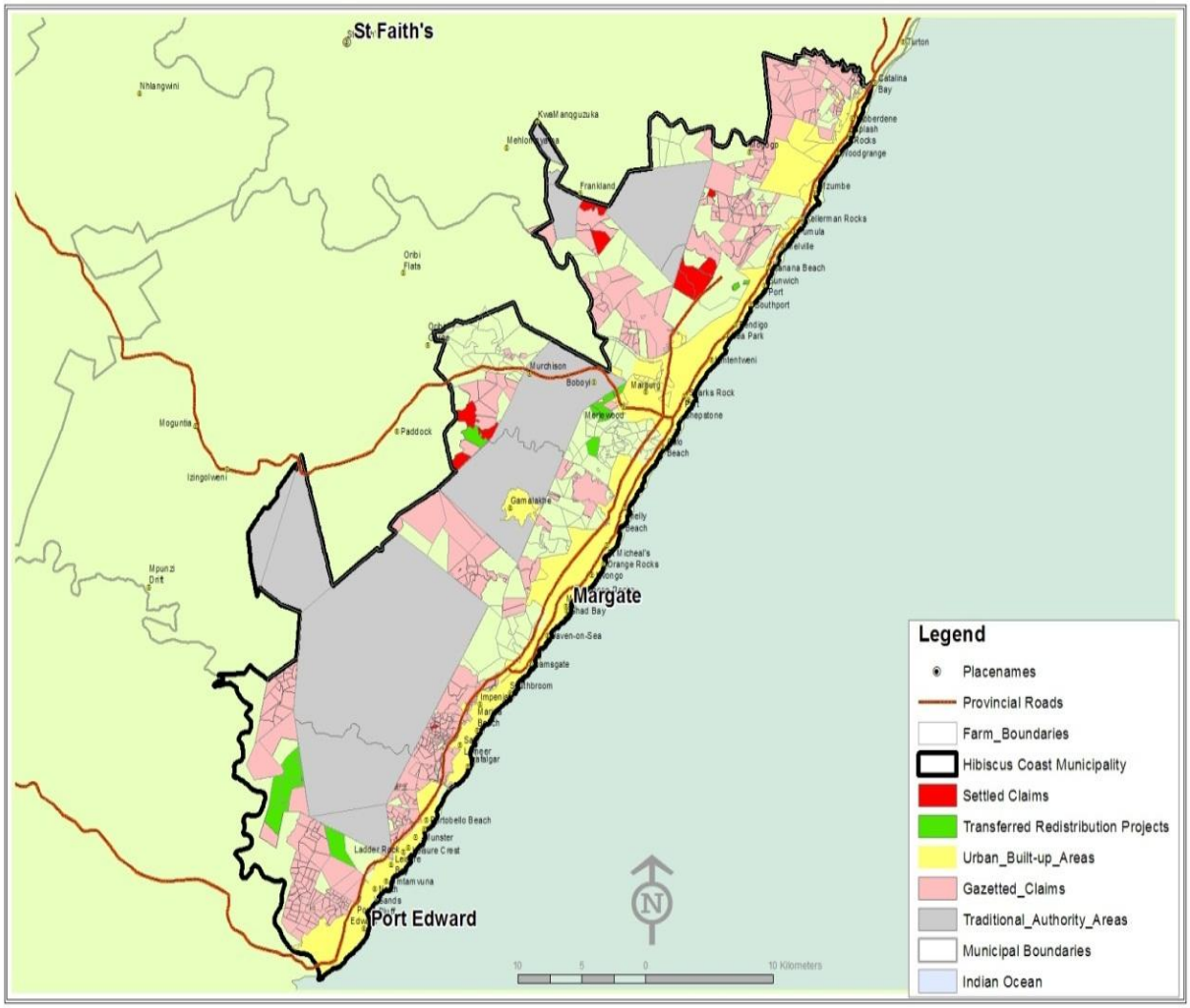
There are two programmes that are currently running namely, the Land Restitution Programme and Land Use.

Redistribution Programme.

The Restitution Programme is assisting communities to reclaim their lands after the Land Areas Act of 1913 and the latter assist communities to buy back farm lands. A roll out programme known as Recapitalization and Development Programme assists communities with farming skills once land has been purchased. The impact of these programmes have proved very positive as people can now state that they have land which is rightful theirs.

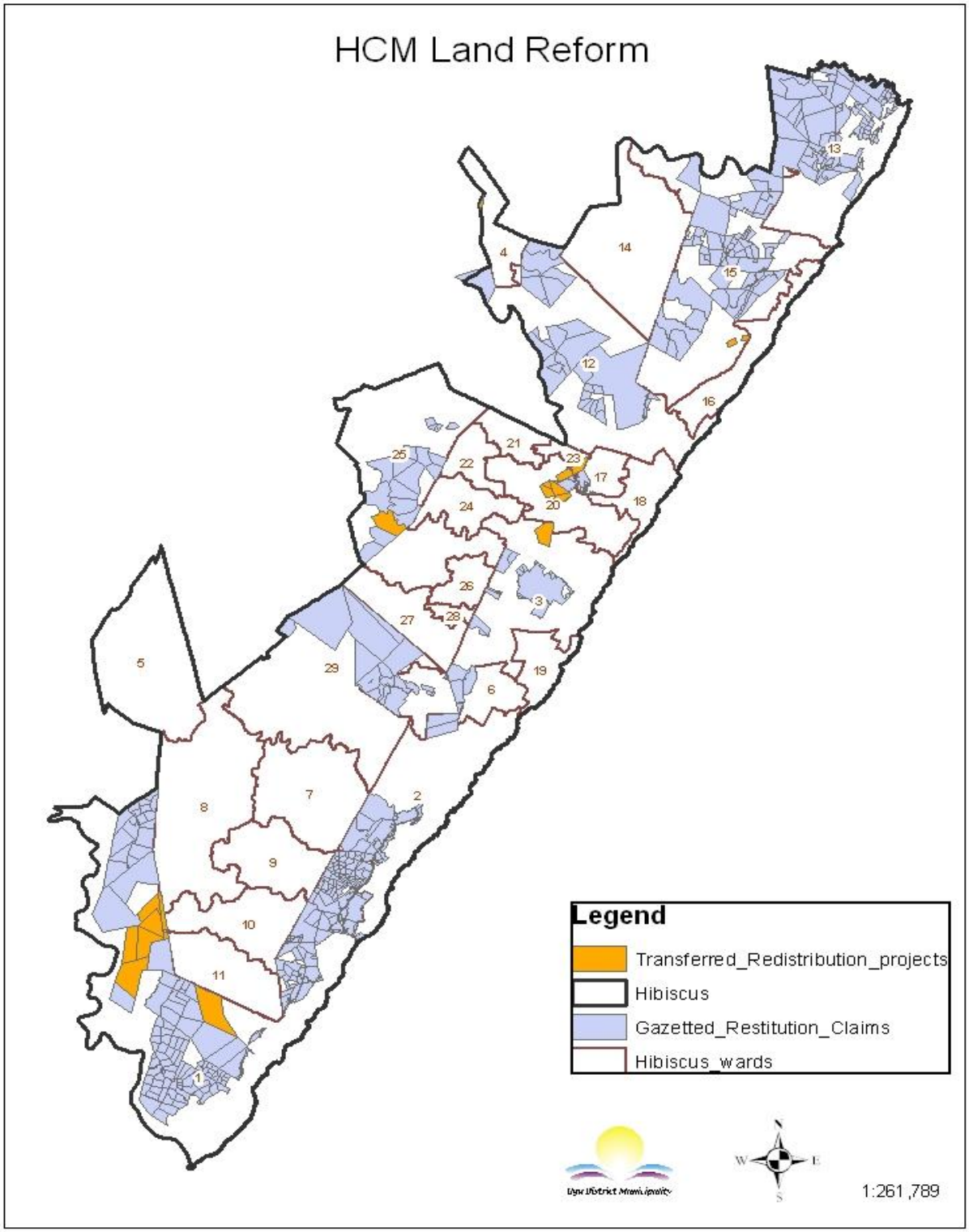
The two Maps below and on the following page reflect the land reform status of the municipality, these include the transferred projects, and Gazetted restitution claims.

Map 13: Land Reforms



Source: HCM GIS 2012

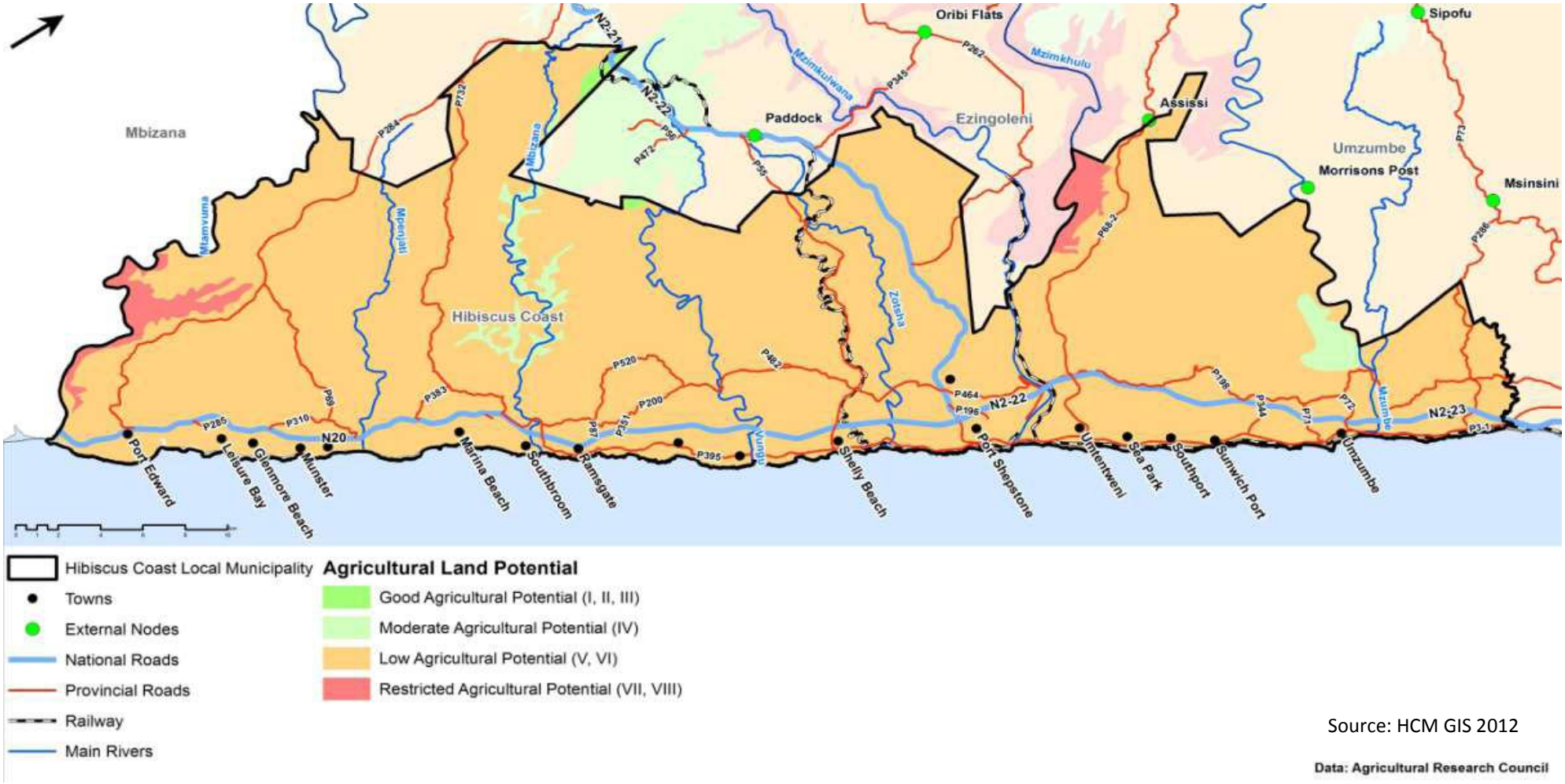
Map 14: HCM Land Reform



Source: HCM GIS 2012

Map15: Land Capabilities

Land Capability Map



Source: HCM GIS 2012

Data: Agricultural Research Council

Land use

The Hibiscus Coast agricultural sector and emerging resource poor farmers have great potential to meet the needs of the Ugu Fresh Produce Market, however the Municipality is primarily characterized by low agricultural potential with pockets of moderate and good potential. The Ugu Fresh Produce Market will need to rely on the other local municipalities, which fall within the District, to support it sufficiently.

1.3.1.8 Private Sector Development

Although 60% of manufacturing businesses are located in the Port Shepstone/ Marburg/Izotsha industrial area, it is important to note that a third of the manufacturing businesses also relate to Margate suggesting that this area should receive some prominence in terms of future industrial sector planning. The formal manufacturing sector is limited to the coastal strip and primarily the Marburg and Margate areas. It is not envisaged that the formal large scale manufacturing sector will expand into the rural areas. The table below further provides details on manufacturing location:

Table 23: Private Sector Development

AREA	BASIC DESCRIPTION	TYPE OF INDUSTRY
Marburg Industrial	This is the only major industrial zone in the District. It has been developed on the N2 to the south-west of the Port Shepstone CBD. Over the years it has extended on what is referred to as Izotsha. The land is not flat, but the topography is reasonable for industrial development. A large variety of manufacturing and service sector businesses are located in the area.	Most industrial sectors are represented in the area. Furniture, textile and clothing and food seem to dominate. Sizes range from small service industries to major plants
Margate Quarry Industry	The industrial area is located close to the entrance to the NPC Quarry immediately to the west of the N2 as you approach the Margate turnoff from Durban. The area is separated from neighboring developments either by the N2 or vacant land	The number of concrete block, brick and moulded concrete block manufacturers benefiting from the location in relation to the Quarry
Margate Airport Industrial	This industrial area is located on the northern end of the runway of the Margate airport. It is located on relatively flat land. The area is home to only a handful of industries.	Construction related and furniture manufacturing firms are located in the area.

The following can be highlighted about commercial business activities dominating the Hibiscus Coast economy:

Nearly two-thirds of businesses in Hibiscus Coast relates to the commercial sector and industrial sector; 27% of all businesses are retail type businesses

Business classified as hotels and restaurants make up 13% of the total number confirming the important role of this sector in the economy;

Other business types with a strong presence in Ugu include general business services at 12%, and motor related trade at 10%;

Retail centres make a considerable contribution to retail activity. According to the Retail Report of the South African Council of Shopping Centres) (SACSC), there are 12 shopping centres within HCM with Gross Leasable Space (GLA) ranging from 3000m2 (Margate Centre) to 27 700m2 (Shelly beach and South Coast Malls); and, Property Rates.

1.3.2 Environmental Analysis

Hibiscus Coast has dedicated human resources for environmental management that deals with environmental issues at large. However, it should be noted that the unit is not capacitated enough as it has a manager and one officer considering the size of the municipality.

The protected area, namely the Trafalgar Marine Protected Area (MPA), is situated on the coast of the Hibiscus Coast Municipality. There are also two large protected areas, namely Aliwal Shoal MPA and Pondoland MPA immediately north and south of the municipality. These areas not only conserve marine areas of high conservation value, but also support non-consumptive recreational activities, such as diving and whale watching, which contributes to the tourism sector of the municipality. There are numerous and substantial east-westerly running river valleys within the Municipality and numerous relatively small wetland areas scattered throughout the Hibiscus Coast Municipality.
In as much as the municipality has a dedicated environmental management unit, it must be known that there are some strategies not in place due to budget constraints. For an example, the municipality does not have the Estuary management Plan but it has been planned for the 2015/16 financial year.



1.3.2.1 Formally Protected Areas

The Protected areas are defined as areas of land or sea that are formally protected by law in terms of the Protected Areas Act (Act 57 of 2003), and managed mainly for biodiversity conservation. As shown below, there are four protected areas within the Hibiscus Coast Municipality: Mbumbazi Nature Reserve, Skyline Nature Reserve Mpenjati Nature Reserve, and Mtamvuma Nature Reserve. Note that there are also two protected areas, namely Oribi Gorge Nature Reserve and Mehlomyama Nature Reserve which border the municipal a Special Management Areas - The Minister has the authority to declare (or withdraw) special management areas that are wholly or partially in the coastal zone and to prohibit certain activities from taking place within such a management area.

Coastal Set-Back Lines - The (ICM Act) makes provision for the establishment of coastal set-back lines to be drawn up to assist coastal managers and decision makers. Coastal set-back lines may be established for various reasons and there may be more than one set-back line in any given area. The intention of coastal set-back lines is to assist in controlling development along an ecologically sensitive or vulnerable area, or any area that poses a hazard or risk to humans. The establishment of coastal set-back lines is a provincial responsibility, but the MEC can declare such a set-back line in consultation with municipalities and interested and affected parties. At present, the Department of Agriculture and Environmental Affairs (DAEA) is using the 10m contour as temporary coastal set-back line.

Implications for development are that the environmental authorities are unlikely to support development on the seaward side of the 10m contour, particularly with rising sea levels and projected increases in the intensity and frequency storm surges.

1.3.2.2 River/Valley Systems

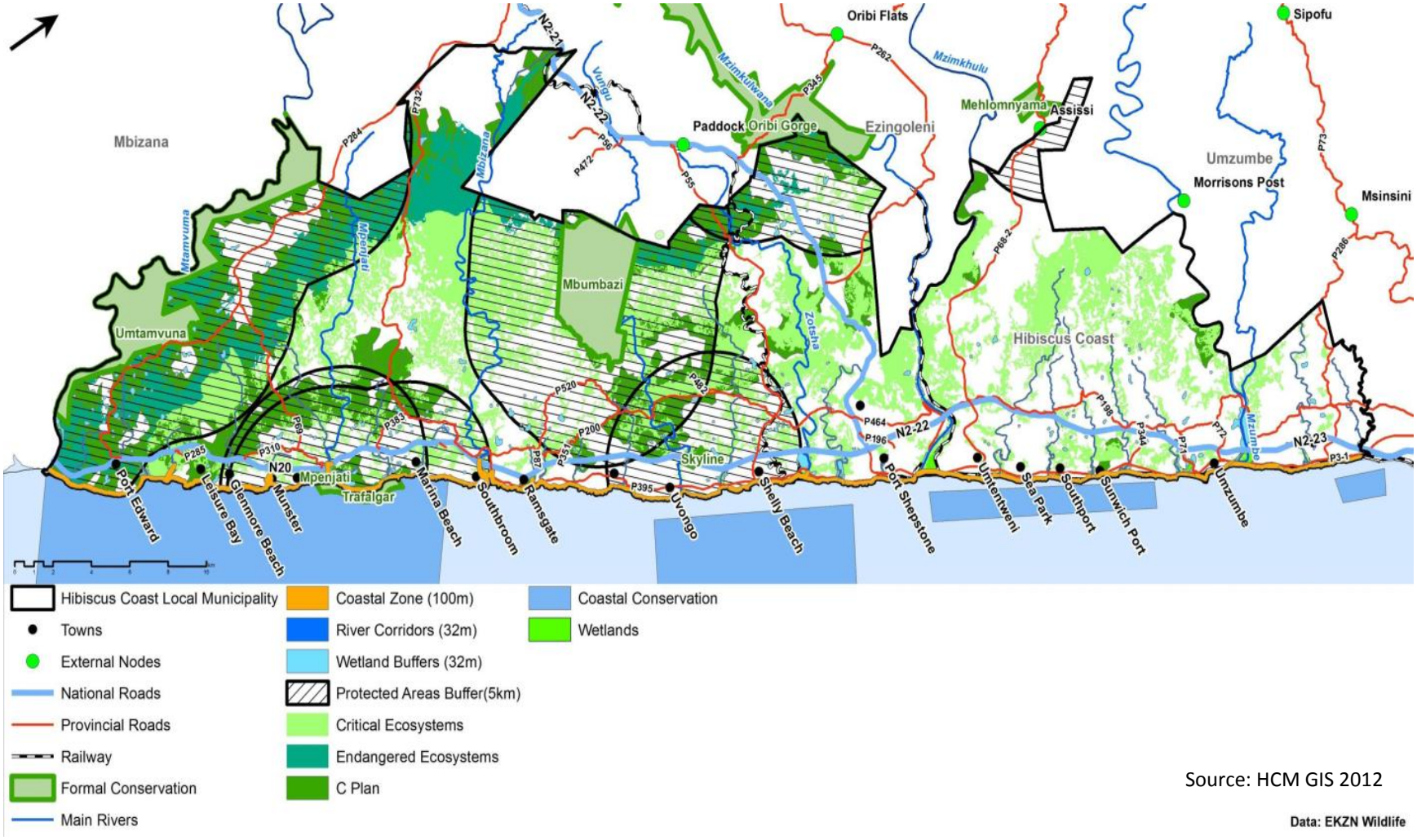
There are numerous and substantial east-westerly running river valleys within the Hibiscus Coast Municipality. Note the steep sided valleys of several rivers, such as the Mzimkhulu, Mbizana, and Mtamvuma, contain large areas of natural vegetation. These natural assets, given their size, are important generators of eco-system services, such flood attenuation or waste assimilation, within the municipality, particularly for the coastal areas. These assets should therefore be rehabilitated and maintained so as to improve the supply of these services. The width of the river corridor is dependent on the local situation, for example the condition of stream, and may extend beyond the statutory 20m. Note that for particular activities within 32 meters of the edge of a stream, environmental authorization is required from the relevant environmental authorities (NEMA EIA regulations, 2010).

1.3.2.3 Wetlands

Wetlands are defined by the National Water Act as “land which is transitional between terrestrial and aquatic systems where the water table is usually at or near the surface, or the land is periodically covered with shallow water, and which land in normal circumstances supports or would support vegetation typically adapted to life in saturated soil.” There is growing recognition of the importance of wetlands with regards to provision of ecosystem services. For example, wetlands are generally very effective in attenuating storm water runoff and assimilating water pollution. The remaining wetland areas should therefore be protected from transformation and development, rehabilitated and maintained so as to improve the supply of these services.

There are numerous relatively small wetland areas scattered throughout the Hibiscus Coast municipality. As with rivers, the development buffer around wetlands is dependent on the local situation, such as the type of activity, and may extend beyond the statutory 20m. Note that for particular activities within 32 meters of the edge of a wetland, environmental authorization is required from the relevant environmental authorities (NEMA EIA regulations, 2010).

Map 16: Formally Protected Areas



Source: HCM GIS 2012

Data: EKZN Wildlife



1.3.2.4 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis for Spatial and Environmental Analysis

Strengths	Weaknesses
• Wetlands are scattered throughout the Municipality • There are protected Environmental lands • Primary, secondary corridors merge with the Municipality • Marine is highly conserved	• Development along the Coastal belt only • Rail road is non-existing • Minimal cross border alignment
Opportunities	**Threats**
• There is mixed land use • Good linkage with Durban • PSEDS has identified Port Shepstone as a secondary node in the Provincial context	• Prone to Natural disaster especially flooding and rising sea levels

1.3.3 Climate Change

The effects of climate change has been experienced in the municipal area both inland and coastal areas over the past few years. The two highlights of such impact were the 2008 floods destroying many houses mainly at Murchison/Bhobhoyi area as well as the tidal surge destroying a lot of public infrastructure and private property along our beaches. The response on the inland has been to rebuild most of the destroyed houses and on the coast restoring public infrastructure with latest (soft) engineering requirements.

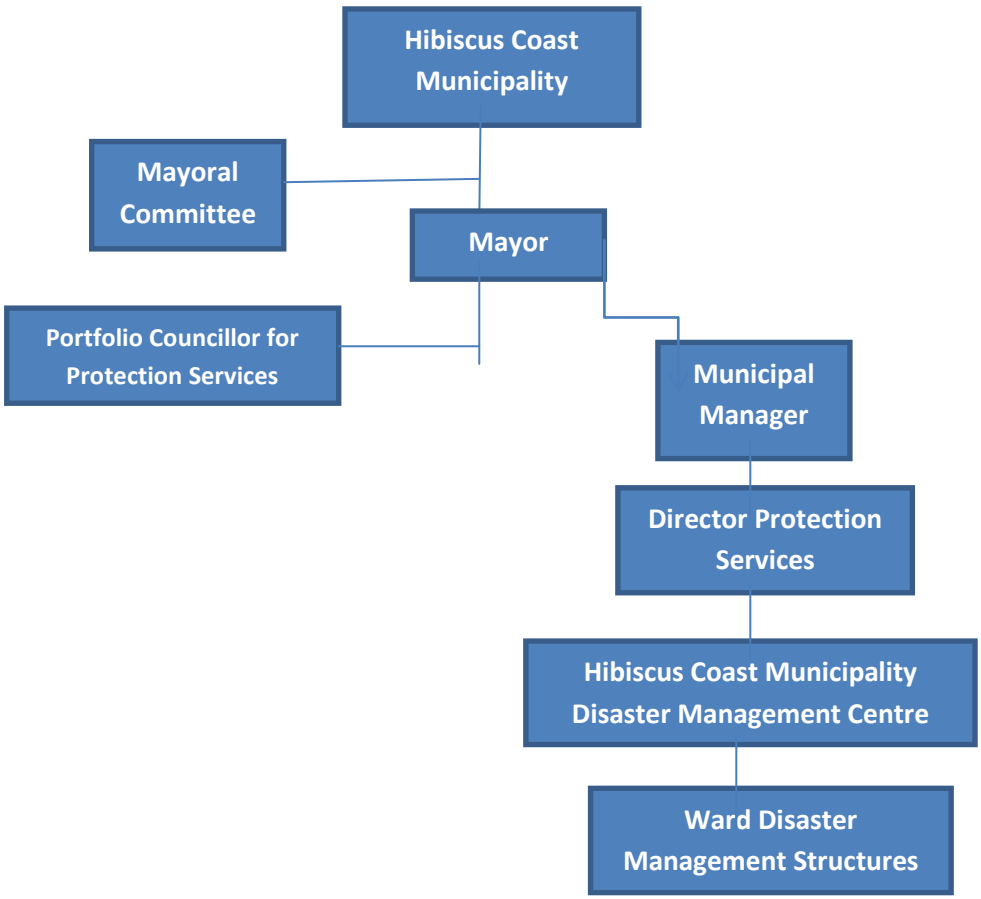
The issue of energy challenges and demand to reduce use of traditional electricity thereby reducing our emissions as the country is also on the agenda for the municipality. In this regard Eskom has offered second round of distributing energy efficiency globes. The municipality is also exploring ways to switch to energy saving alternatives in its traffic and streetlights as well as all public infrastructures in the municipal area. The use of solar for heating water and lighting is being considered. A total of seven projects have been submitted as applications to the Green Fund's window that opened towards the end of 2012 and the results are awaited.

1.3.4 Disaster Management

This is a shared function between HCM, other local municipality and the UGu District Municipality. There is a disaster practitioner's forum at a district level. The municipality is in a process of developing a new disaster management plan to comply with the Section 26 (g) of the Municipal Systems Act No 32 of 2000. This is a review process to the existing plan. The comprehensive disaster management plan shall be suitable to the area and shall incorporate comments received from the Honorable MEC of the Department of Cooperative Governance and Traditional Affairs on the HCM 2011/2012 IDP comments

In terms of section 45(1) (b) of the Act the district disaster management centre exercises its powers and performs its duties in accordance with the *directions* of Council and in accordance with the administrative instructions of the Municipal Manager. The line function of disaster management will remain under the Protection Services line and the plan will also be incorporated strategically in the IDP as per the Cogta guidelines as an important plan for the municipality, this will be done through the alignment with the SDF and service delivery plans.

The current location of the centre within Council's administration and reporting lines for direction and administrative purposes are illustrated in the chart that follows.





Disaster Management Center

After consultation with the Ugu District Municipality, it has been agreed that the district will establish a disaster management centre as per the Act, but that the Hibiscus Coast Municipality will share office space with the centre with regards to communications and a 24-hour call centre. The agreement still needs to be finalised.

The current location of the centre within Council's administration and reporting lines for direction and administrative purposes are illustrated in the chart on the following page.

The Hibiscus Coast Municipality has identified a need to construct the following disaster management centres and fire stations in order to beef up capacity and response in term of disasters and firefighting:

- Gamalakhe fire station
- Hibberdene fire station
- Hibberdene disaster management centre and
 Margate disaster management centre

Disaster Management Center

There is one Disaster Management Center based within the Fire station at Port Shepstone.

Risk Assessment

Disaster risk is dynamic. It is driven by a combination of hazard and vulnerability processes, including changing patterns of land-use, infrastructure development /maintenance, urban growth and settlement densification. Similarly, household size and composition, health status and level of livelihood security affect household potential for loss.

Some risks, particularly those triggered by climate processes, must be reviewed seasonally prior to the rainy season or hot summer months. Other risks, such as flood risk, require extensive flood hydrology investigations, and may be undertaken once during a 20-year period.

Risk Assessment must be undertaken to:

- Ensure that development initiatives maximize their vulnerability reduction outcomes; and
- Anticipate and plan for known risks or disasters to prevent losses and limit endangering impacts.

The design and methodology adopted for conducting a disaster risk assessment for the HCM is consistent with the national guideline and standard.



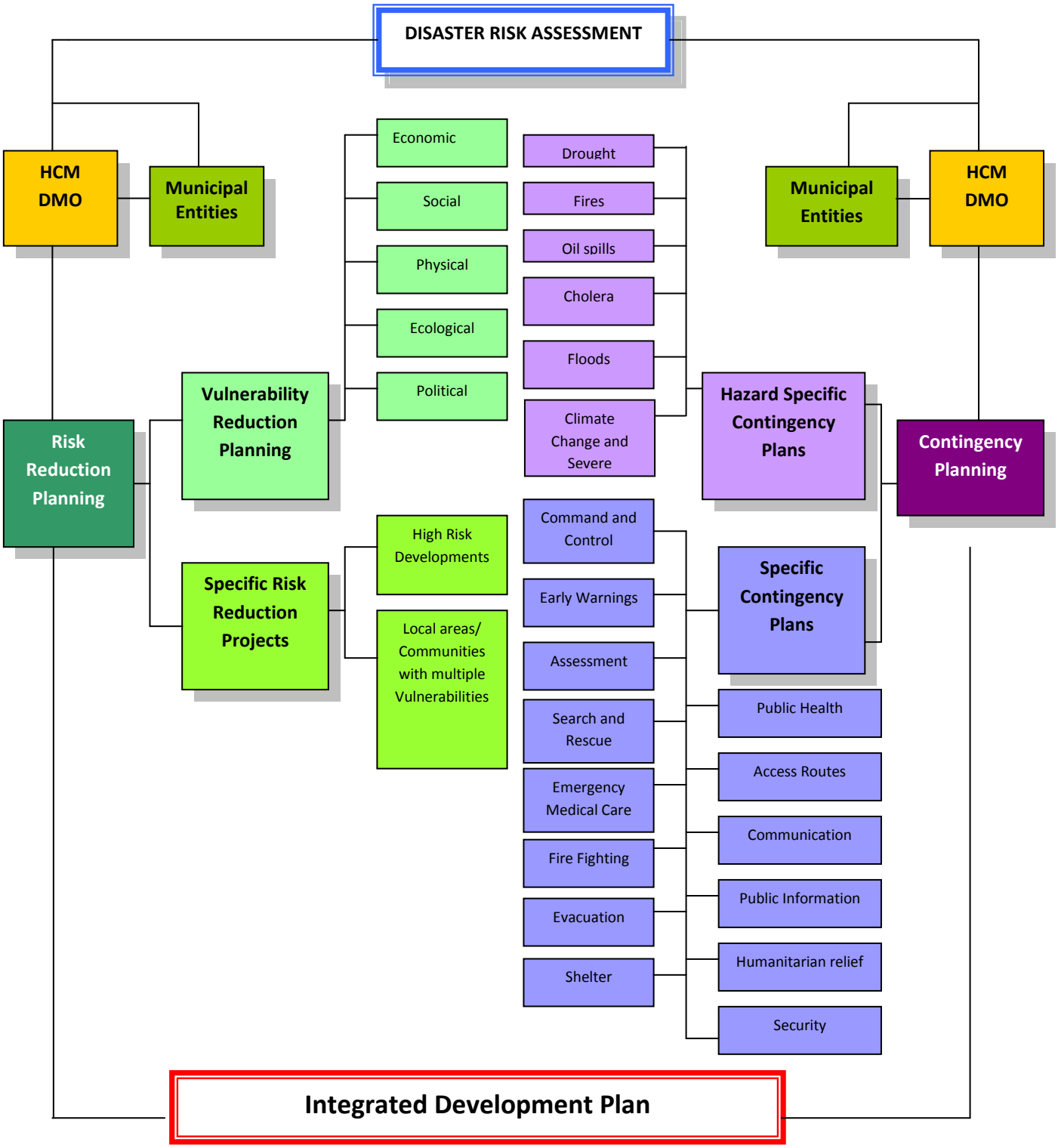
The Disaster risk assessment must determine the level of risk in HCM by;

- Identifying potential hazards and/or threats assessing the conditions of vulnerability that increase the chance of loss for particular elements-at-risk (that is, environmental, human, infrastructural, agricultural, economic and other elements that are exposed to a hazard, and are at risk of loss);
- Assessing impact and coping capacity
- Determining the level of risk for different situation and conditions setting priorities for action after prioritizing the hazards according to their risk factor; and
- Continuously monitoring capabilities, risk maps and risk scenarios

There are many different methods for carrying out risk assessments. In essence the disaster risk assessment for the HCM was based on the following methodology, in future assessments it may however be necessary to deviate, amend or adapt the methodology depending on:

-The type of hazard being assessed
-The characteristics of the area, infrastructure, service or business concerned
-The urgency of the assessment and,
-The availability of relevant hazard and vulnerability information

Figure 1: The Disaster Management Planning and Climate Change Framework: Future assessments and planning.





The aim of the assessment is to establish:

- which hazards are the most prevalent in the HCM area;
- the frequency with which a significant event or disaster is likely to occur;
- which areas, communities or households are most at risk;
- which hazards (of certain intensities) are likely to have the most profound impact on the HCM;
- what is the probability of the identified hazards impacting on the HCM within a given time frame;
- what are the existing conditions of vulnerability and capacity (physical, social, economic and environmental) in the HCM area;
- which vulnerabilities could be exploited by the identified hazards (of different intensity);
- what capabilities or resources exist to manage the risk;
- what are the risk priorities of the HCM;
- how are vulnerabilities being addressed through the Integrated Development Plan projects and other developmental initiatives;
- what other developmental initiatives are necessary to reduce vulnerability and therefore risk in the HCM;
- Is the risk becoming progressively greater;
- Is the risk undermining development progress in the areas, communities and households it affects and if so,
- is the management of the risk a development priority

Risk Reduction and Prevention

In order to ensure disaster risk reduction in the Hibiscus Coast Municipality the DMC must:

- monitor, assess, and co-ordinate Council's disaster risk management arrangements, placing particular focus on risk reduction strategies;
- collaborate, coordinate and monitor progress on joint projects and programmes and their integration into the IDP process; support the municipal Disaster Management Satellite Centre in its activities;



- review the disaster management plan of the municipality; review departmental disaster management plans and the plans of other municipal entities in Council's area annually to ensure that the plans are integrated, current, and consistent with Council's Disaster Management Framework;
- promote joint standards of practice across all municipality entities and line functions; monitor progress on the implementation of priority projects aimed at risk reduction; and
- Promote and support disaster risk awareness campaigns within the municipality as well as within communities.

Prevention and mitigation

In order to ensure disaster prevention and mitigation in the Hibiscus Coast Municipality the DMC must:

- provide the Disaster Management Satellite Centre with timely information and advice on disaster management related issues;
- ensure the application and enforcement of laws and by-laws by municipality entities relating to disaster management within their jurisdiction;
- promote structural and non-structural mitigation measures;
- develop appropriate prevention and mitigation strategies for the known hazard threat of the Hibiscus Coast Municipality; and
- Assist in the development of appropriate early warning systems for the municipal area.

Emergency preparedness

In order to ensure emergency preparedness in the Hibiscus Coast Municipality the DMC must:

- ensure that all departments engage in contingency planning for all priority risks; plan for all residual risk after the disaster risk reduction initiatives had been taken into consideration;
- ensure and participate in desk top exercises on a bi-annual basis in order to keep up to date on roles and responsibilities in the activation and operation of the Disaster Management Centre;

- ensure a rapid and efficient response and recovery in the event a disaster threatens to occur or occurs in Hibiscus Coast Local Municipality area;
- make recommendations to Council regarding disaster management matters; and
- Make recommendations to Council on the declaration of a local state of disaster (see section 54 and 55 of the Disaster Management Act 57 of 2002).

Maximising vulnerability reduction outcomes

With respect to the implementation of the Act, a risk assessment must be undertaken when one or more of the vulnerability reduction criteria (reflected in the table below) are considered priorities in any project or programme initiated by the HCM.

Table 24: Vulnerability Reduction Outcome

Key Vulnerability Criteria	Examples of where risk assessments must be done
Increased sustainability of a development project or programme to support vulnerable households.	As part of the planning for an infrastructural development, for example, assessing the likelihood of weather, flooding, subsidence and other threats damaging the structure, so that these can be factored into the construction specifications.
Reduction of potential harmful consequences associated with industrial, commercial or other developments	As part of environmental impact assessments for large-scale developments, including industrial, commercial and other enterprises that may increase disaster risk.
Increased understanding of a rapidly changing risk for improved risk management planning	In a flood-prone area that experiences considerable population growth and is facing increased land erosion.
Increased robustness of development initiatives in poor communities and areas	In an informal settlement characterised by recurrent 'small 'and 'medium-size' disaster losses that undermine assets and livelihoods.
Management of high-risk periods and conditions to ensure service and/or business continuity	Electricity transmission lines and rail infrastructure, as well as health and emergency services, to ensure these essential services do not 'fail 'under expected high-risk conditions.
Provision of appropriate support for at-risk activities, services, areas, communities and households following an 'alert '.	Following a drought warning or cholera alert in rural areas, to identify communities and households most at risk and to focus or target preparedness and response actions.

Disaster risk reduction planning

On the left-hand side of the framework, 'Disaster Risk Reduction Planning', consist of Vulnerability Reduction Planning and Specific Risk Reduction Projects. Vulnerability Reduction Planning focuses on the general vulnerabilities that are present in the municipality as a whole. The Specific Risk Reduction Projects include on one hand future developments (planned for though the IDP) that should be assessed and on the other hand any area where a combination of vulnerabilities, hazards and/or a lack of capacities pose a specific (or combination of) high risk(s) to the population, infrastructure and environment.

Contingency planning

The right-hand side of the framework focuses on contingency planning. This type of planning has two components: for the most prevalent hazards, the municipality should have contingency plans in place that can be activated before or during the impact of a specific hazard ('Hazard Specific Contingency Plans').

As it is impossible to plan for every hazard, the contingency planning should also include generic plans. For the purpose of drawing up such plans, the most important issues have been listed in the framework (public health, command and control, shelter etc.)
Risk of a certain hazard can change over time. It is therefore necessary that all aspects of the framework are adapted accordingly. Continuous assessment is necessary for sound disaster risk management planning which will therefore assist in the prevention and reduction of disaster incidents.





Response and Recovery

Disaster Response, Recovery, Rehabilitation and Reconstruction

In order to achieve the requirements of the Act calling for an integrated and co-ordinated policy that will provide for rapid and effective response to disasters and to post disaster recovery, it is imperative that mechanisms are put in place which leaves no room for confusion when a significant event or disaster occurs or is threatening to occur in council's area. This requires clear allocation of roles and responsibilities and concisely defined procedures and protocols for all operational personnel, other relevant role players, communities at risk, and the public in general. This key performance area seeks to ensure that disaster response and recovery planning for the HCM achieves these objectives.

Preparedness and early warning

Objectives

To establish effective early warning systems in the HCM that will ensure:

- rapid and effective actions by essential and emergency services;
- that households, communities and areas at risk are able to respond timeously and appropriately; and
- in order to avert or reduce the potential impacts on people in terms of health, personal injury, loss of life, damage to property, infrastructure or environments

The HCM DMO is primarily responsible to ensure that it has the technical capacity to identify and monitor hazards and must ensure that mechanisms are in place for the receipt, dissemination and appropriate responses to standard early warnings issued by organs of state tasked with primary responsibility for a specific hazard.

The HCM DMO is responsible to prepare and issue hazard warnings of significance for the municipal area in a timely and effective manner and to ensure that the warnings are disseminated to those communities known to be most at risk to the hazard including those in isolated and/or remote areas. Warnings must include information and guidance that will enable those at risk to increase their safety and take risk avoidance measures to reduce losses.

Operational plans for disaster response and recovery

The HCM DMO is responsible to ensure the development of operational plans for disaster response and recovery when a disaster occurs or threatens to occur in the HCM area of jurisdiction and the facilitation of rehabilitation and reconstruction programmes and projects.

Such plans must be prepared consistent with the national guidelines. The HCM DMO must ensure effective *strategic* co-ordination and management of response and recovery operations for its area.

The HCM DMO has primary responsibility to facilitate:

The development of a standard operational guide for the establishment of Joint Operations Centres (JOCs) to

- Ensure the effective tactical co-ordination and management of response and recovery operations for major incidents and significant events which occur or threaten to occur in the area of the HCM. and to

- Ensure that each response agency identified in the HCM which can contribute to the response and recovery efforts – whether it be an essential service; an emergency service; community volunteer; a non-governmental organisation; a community based organisation; or a private sector agent – prepares and submits an operational plan applicable to their particular functional area which is in accordance with the national field operation guidelines (FOGs).

Training and Awareness objectives

- To promote and facilitate non-accredited and accredited education and training opportunities for all disaster risk management stakeholders in the HCM.
- To identify and implement appropriate disaster risk management training programmes for schools in the area to increase knowledge and capacity.
- To identify and implement appropriate disaster risk management training programmes for the communities to increase knowledge and capacity.
- To ensure that traditional knowledge and coping strategies are included in the training programmes where appropriate.

Schools Programmes

Disaster risk management training programmes for the purposes of disseminating information on disaster risk management are in place in most schools at HCM. The creation of programmes relating to disaster management in schools, focus on relevant and appropriate aspects of disaster risk management, have also been encouraged.

Dissemination and use of traditional knowledge

All training and awareness programmes undertaken within the HCM must take into account indigenous knowledge relating to disaster risk management, as per section 7(2)

Community training programmes

Education and training programmes for communities must focus on risk awareness, risk reduction and preparedness. Where appropriate, communities must be given the opportunity to modify and enhance training programmes through the inclusion of indigenous knowledge, practices and values, and the incorporation of local experience of disaster and disaster risk management. Cognisance of the risk assessment for the area must be taken when such programmes are developed.

Government Officials and relevant role players

Training programmes for government officials and policy makers must include modules on planning, hazards, prevention, risk reduction and preparedness.

Public Awareness

Objective:

- To develop and implement a public awareness programme which insures an alert, informed and self-reliant public in the HCM.

Public Awareness Policy

An integrated public awareness strategy to promote a culture of risk avoidance among all role players and across all departments must be developed and implemented. Such a strategy is necessary for the promotion of an informed, alert and self-reliant society capable of playing its part in supporting and co-operating with the municipality in all aspects of risk and vulnerability reduction.

The ability of the public to understand the nature of commonly encountered hazards in their communities to manage and reduce risks; to develop risk avoidance behaviour patterns; and to respond appropriately and timeously when disasters occur or are threatening to occur, is dependent on knowledge and access to reliable information. In order to inculcate risk-avoidance behaviour by all stakeholders, public awareness campaigns aimed at raising consciousness about disaster risks must provide information on how to reduce vulnerability and exposure to hazards. Public information should be disseminated through the media, schools, public gatherings and through any other suitable network.

Media involvement

The local print and radio media are involved in community awareness programmes.

Policy Directives and Legislative Mandates

The IDP review is guided by binding and non-binding national and provincial legislations including policies, programmes and strategies that need to be considered in the municipal planning and development processes.



The Non-attendance of provincial department poses the following challenges and limitations for the municipality:

- Limit level of engagement and knowledge sharing
- Department budget for projects that are not urgent to communities
- Departments' projects do not have impact
- Some sectors are neglected and some remain unfunded
- No proper alignment, Duplication of funding and Fiscal dumping

1.3.5 Disaster Management Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

Strengths	Weaknesses
• The unit is relatively capacitated • Disaster Management Plan is in place • Public awareness disaster programmes are in place • Schools programmes are also in place • The risk reduction plan is in place	• Shortage of manpower • Poor vehicle maintenance • Limited tools e.g. fire engines
Opportunities	**Threats**
• Expertise • Programmes are in place for safety issues	• Shortage of staff • Time delays to call outs

1.3.6 Key Findings

KEY CHALLENGES	DESCRIPTION
1.Urbanised Coastal Zone	The coastal strip is very urbanized and developed.
2. Manufacturing Sector is limited to the coastal strip	All the economic development is centralized along the urban areas.
3.Climate change	Due to climate change that the municipality occasionally experiences, floods occur leaving behind distraction.
4.Impoverished rural interior	There is absolutely no development in the hinterland

1.4 Municipal Transformation and Organizational Development Analysis

1.4.1 Disestablishment of Hibiscus Coast Municipality

After every Local Government Elections, the Municipal Demarcation Board review the municipal outer and ward boundaries taking into account a whole range of issues to determine the new set of municipalities and wards for the Republic. Main examples for issues that influences redetermination of boundaries include cases where there are split communities, need for technical alignment of certain boundaries including taking into account natural features and unviable municipalities in terms of population, geographic sixe and (potential) revenue streams.

The Municipal Demarcation Board conducts the determination of municipal boundaries as mandated by the Local Government: Municipal Demarcation Act, Act N˚27, 1998. In terms of Section 21 of Municipal Demarcation Act, the Demarcation Board must determine municipal boundaries in the territory of the Republic; and may re-determine any municipal boundaries determined. It further states that, any determination or redetermination of a municipal boundary must be consistent with this Act and other appropriate legislation enacted in terms of Chapter 7 of the Constitution.

Following the 2011 Local Government Elections, the Board rolled out its municipal boundary redetermination programme. This time the process affected Hibiscus Coast Municipality with the Board resolving that the municipal boundaries of Hibiscus Coast Municipality (KZ216) and Ezinqoleni Municipality (KZ215) predetermined by amalgamating the said municipality into one municipal area still within Ugu District Municipality (DC21). Necessary legislative processes were followed with public consultations and representations prior to taking the decision. Processes to get both municipalities ready to be a single new entity already started in earnest in 2014. The new entity is expected to exist on the eve of the 2016 Local Government Elections. As required by the legislation, the process is closely managed by the Political Change Management Committee advised by the Technical Change Management Committee. The latter consists of administration and the former consists of political leadership. In both cases, Ugu District Municipality chairs. The implications are simply that the two municipalities in most instances now work as one entity in the sense that they have to consult each other through the change management committees for key decisions. To this effect a Memorandum of Agreement has been signed between the two municipalities committing themselves to certain principles leading up to their restructuring and amalgamation.

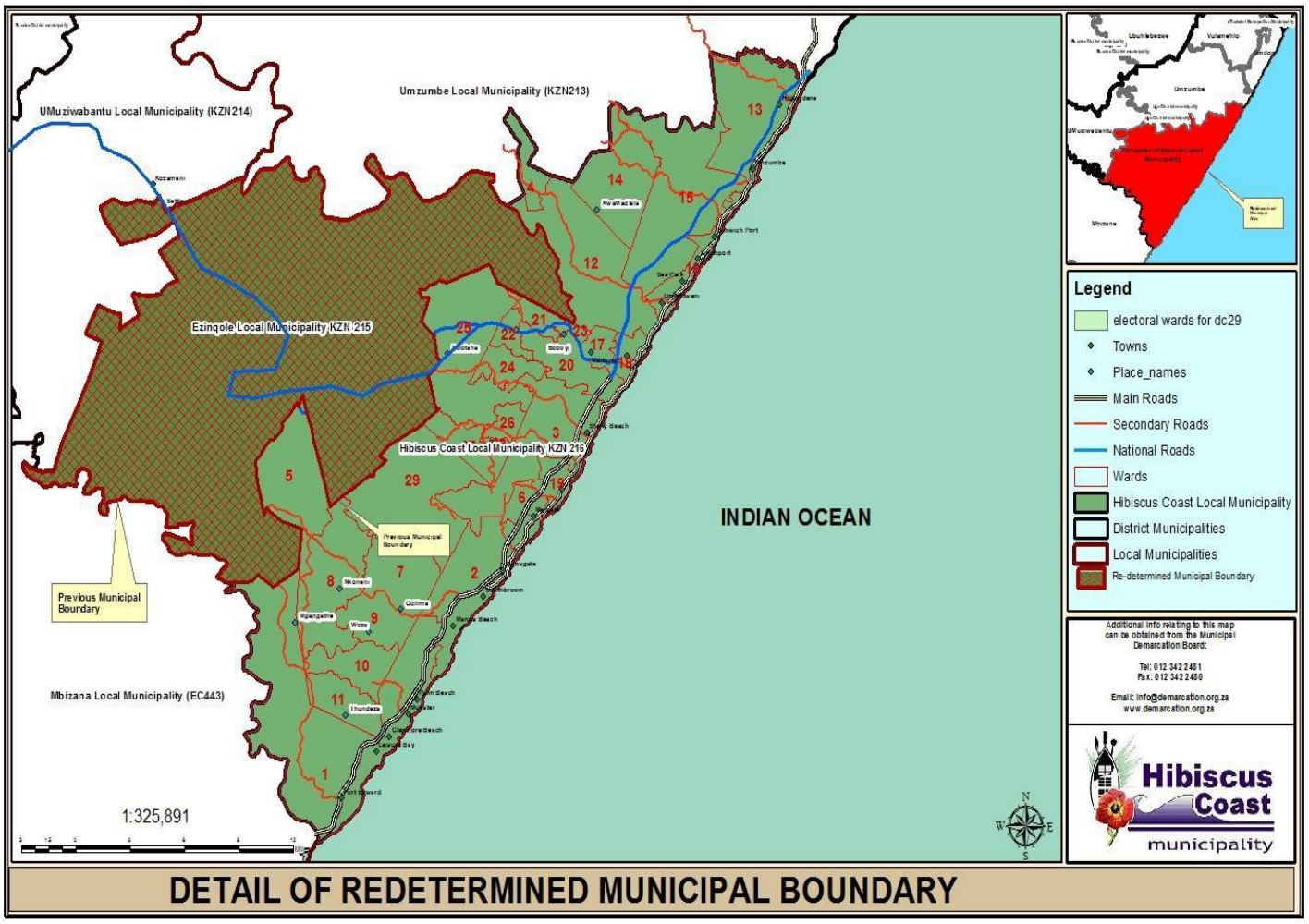
The following are the principles agreed to:

- Alterations to the staff establishment;
- Appointment of staff or the filling of vacancies unless of vital importance;
- Upgrading of posts or promotions;
- Increase in salaries and wages except as determined by the bargaining council;
- Disposal or acquisition of assets above the value of r500 000. 00 (five hundred thousand rand);
- Conclusion of contracts with a duration of longer than one year or the renewal of such contracts;
- Use of reserve capital; and,
- New loan agreements

In line with the principle of working together, the IDP teams from both municipalities have worked together in preparing the 2015/2016 IDP Reviews. This was in recognising that the implementation period of this IDP will overlap into the new entity and therefore there should be synergy in the development programme being implemented. Also starting to share the strategic direction of the new entities will make the process for the new IDP to be prepared for the new entity to be without much challenges in terms of development approach.

On the following page is a map indicating the 2016 re-demarcation of Ezinqoleni and Hibiscus Coast municipalities.

Map 17: Demarcation of HCM and Ezinqoleni Municipalities (Source: Dermacation Board)



1.4.2 Organizational Development

The Back to Basics Policy emphasizes that there has to be a focus on building strong municipal administrative systems and processes. It includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. It further details the basic requirements that need to be monitored and these include the top 6 positions that they must be filled with competent and qualified persons, municipal organograms be realistic etc.

1.4.2.1 Institutional arrangements

The Hibiscus Coast Municipality is headed by her Worship Madam Mayor, Councillor N.C.P. Mqwebu. There are 58 councillors, 12 of the Councillors serve in the Executive Committee (EXCO).The Executive Committee is a day-to- day committee of Council. Its meetings are chaired by the Mayor and held twice a month. In addition, there are subject specialisation portfolio committees assisting Council and EXCO with dealing with details. These portfolio committees are chaired by the 6 EXCO members. Council meeting sits once a month, chaired by the Speaker of the Municipality, Councillor R. Nair. The municipality is run in a democratic, transparent manner and all political parties are represented and fully participate in the running of the municipality.

The administration is headed, by Mr. SM Mbili the Municipal Manager. The administration is structured into six operational departments, being:

- -Department of Human Settlement and Infrastructure
- -Department of Planning and Economic Development
- -Department of Community Services
- -Department of Strategic Planning and Governance
- -Department of Treasury
- -Department of Corporate Services

The administration at management level engages through consultative Corporate Management Committee meetings which are chaired by the Municipal Manager and meet twice a month. Given the separation of powers and functions between administration and political side, as well as the delegation of authority, this is not a delegated committee with any authority but to consult and support the Municipal Manager.

On conditions of service matters, there is a well-functioning Local Labour Forum where the administration and Councilors form one side and be the employer and meet the unions as Labour representatives. The forum assists in dealing with collective Labour relations at the workplace before it can be escalated to higher levels.

1.4.2.2 Organogram

The municipality developed a new organogram which was adopted by Council on 23 September 2013. The institutional arrangement within the municipality in relation to the IDP process is briefly illustrated in the diagram below. The transformation process commenced in 2004 where by the system of Section 57 Managers was adopted. Due to municipal grading as regulated by organised local government structures, the municipality faces challenges in retaining employees and this is attributed to a number of reasons namely, the institutions which often offer more attractive packages.

The Municipality has managed to fill all six the Section 57 Managerial positions, 2 Females and 4 males respectively. In terms of women empowerment, there is a room for improvement to employ women for top positions in future. The table below shows total staff complement categorized according to staff levels.

Table 25: Employee Totals, Turnover and Vacancies – Higher levels

Vacancy Rate: 2013-14			
Designations	**Total approved posts No.**	**Vacancies (Total time that vacancies exist using fulltime equivalents) No.**	**Vacancies (as a proportion of total posts in each category) %**
Municipal Manager	1	0	0
CFO	1	0	0
Other S57 Managers (excluding Finance posts)	5	0	0
Police officers	44	8	18.2
Fire fighters	35	01	0.03
Management lvls 0-3 (excluding Finance posts)	48	1	0.02
Management lvls 0-3 (Finance posts)	4	4	100
Highly skilled Supervision: lvls 4-6 (excluding Finance posts)	143	14	0.1
Highly skilled Supervision: lvls 4-6 (Finance posts)	19	3	15.8
Totals	**284**	**43**	**15.1**



Table 26: Employee Totals, Turnover and Vacancies – Employment Categories

Description	2013-14			
	Approved posts no.	Employees No.	Vacancies No.	Vacancies %
Executive & Council	36	35	1	2.8
HR, Skills Development & Estates	17	15	2	11.8
Treasury	83	75	8	9.6
ICT	7	7	0	0
Meetings Administration	18	16	2	11.1
Cultural Services	60	60	0	0
Cemeteries & Crematoriums	11	4	7	63.6
Environmental Protection	7	6	1	14.3
Employee Wellness	3	3	0	0
Protection Services	159	139	20	12.6
Fire & Disaster Management	46	45	1	2.2
Aquatic Safety	15	15	0	0
Sport & Recreation	29	21	8	27.6
Waste Management & Cleansing	540	496	44	8.1
Planning & Building Control	26	23	3	11.5
Local Economic Development	12	12	0	0
Housing	7	5	2	28.6
ISD EPWP	2	2	0	0
Electricity	28	28	0	0
Roads	114	105	9	7.9
MLB & DLTC	30	27	3	10
Totals	**1250**	**1139**	**111**	**8.88**

1.4.2.3 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

Strengths	Weaknesses
• The Municipality is run in a democratic and transparent manner • All posts have been filled • The Council is fully functional • Effective portfolio committees • Diverse representation of political parties in Council (ANC, DA, IFP, COPE and NFP) • All 6 Departments are fully operational • The Labour Forum is well functional Line 1 Managers are being capacitated to effectively run their units	• 2 of the 6 Heads of Departments, section 56/57 are females • 9 of the 40 managers/senior managers are females
Opportunities	**Females at management**
• Room for improvement in terms of equity	• Failure to attract and retain females at management level

1.4.3 Municipal Powers and Functions

The significance of integrating sector plans into the IDP is to provide a demonstration of how they relate to one another. It also outlines a sector plan integration process which will guide our municipality as we integrate various sector plans in our IDP to ensure the realization of integrated development and alignment.

The table on the following page illustrates the functions that are undertaken by Hibiscus Coast Municipality, Ugu as a District as well as by other Sectors within the District as priority function per COGTA.



Table 27: Municipal Powers and functions

	Powers and Functions of the Municipality	Ugu DM	Shared with other services	Hibiscus Coast LM	Relation to KPA
1	Air pollution	x			Cross-Cutting Interventions
2	Building regulations			x	Basic Service Delivery; Cross
3	Electricity and gas reticulation		x		Basic Service Delivery
4	Firefighting services			x	Basic Service Delivery
5	Local tourism		x		Local Economic
6	Municipal airports			x	Basic Service Delivery
7	Municipal planning			x	Basic Service Delivery
8	Municipal health services	x			Basic Service Delivery
9	Municipal public transport			x	Basic Service Delivery
10	Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions			x	Basic Service Delivery
11	Pontoons, ferries, jetties, piers and harbors, excluding the regulation of international and national shipping and Storm water			x	Basic Service Delivery
12	Trading regulations			x	
13	Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage	x			Basic Service Delivery
14	Beaches and amusement facilities			x	Basic Service Delivery ; Local Economic Development
15	Billboards and the display of			x	Local Economic Development
16	Cemeteries, funeral parlors and crematoria			x	Basic Service Delivery

17	Cleansing			**x**	Basic Service Delivery
18	Control of public nuisances		**x**		Basic Service Delivery
19	Control of undertakings that sell liquor			**x**	Basic Service Delivery
20	Facilities for the accommodation-area			**x**	Basic Service Delivery
21	Fencing and fences			**x**	Basic Service Delivery
22	Licensing of dogs			**x**	Basic Service Delivery
23	Licensing and control of undertakings that sell food to the public			**x**	Basic Service Delivery
24	Local amenities			**x**	Basic Service Delivery
25	Local sport facilities			**x**	Basic Service Delivery
26	Markets			**x**	Basic Service Delivery
27	Municipal abattoirs			**x**	Basic Service Delivery
28	Municipal parks and recreation			**x**	Basic Service Delivery
29	Municipal roads			**x**	Basic Service Delivery
30	Noise pollution			**x**	Basic Service Delivery
31	Pounds			**x**	Basic Service Delivery
32	Public places			**x**	Basic Service Delivery
33	Refuse removal, refuse dumps & solid waste disposal			**x**	Basic Service Delivery
34	Street trading			**x**	Basic Service Delivery
35	Street lighting			**x**	Basic Service Delivery
36	Traffic and parking			**x**	Basic Service Delivery

1.4.4 Institutional Capacity and Human Resource Development

In response to the need to build a capable organization the following narrative outlines how the municipality is responding to this pillar of the Back to Basics programme. This in the main covers skills development, meeting equity targets and ensuring that the institution responds to its constitutional mandate through a responsive human resource strategy.

1.4. 4.1 Human Resources Strategy

The strategy is in place and is currently being reviewed. A framework has been developed by SALGA to assist municipalities with modification and contextualization.

1.4.4.2 Employment Equity Plan

HCM has developed and has been implementing its Employment Equity Plan for some years now with reviews carried as and when deemed necessary with the last review being in 2011. The employment equity profile illustrates progress made towards achieving the transformation targets. The Plan reflects the progress the municipality has achieved thus far and actions to address challenges relating to enhanced demographic spread, skills development, fast-tracking, diversity management and organizational culture assessment. This plan is being implemented effectively by amongst other things putting emphasis on job adverts as well as scoring criteria for short listing and interviews. In this regard, there are special points allocated based on race and gender.

1.4.4.3 Workplace Skills Plan

The Work Skills Plan is in place and has been developed annually for the past few years, adopted and submitted by to the LGSETA. The employment equity guidelines form an integral part of planning for training as prescribed in the Skills Development Act. The municipality last developed a comprehensive Workplace Skills Plan (WSP) in line with the said Act and the Plan was submitted to the LGSETA as required by the Act by end June 2013. The Plan is aligned to the WSP. It must be noted however, that in as much as the Plan is effective, there are constraints that come with budget. Projects not budgeted for get recommended for implementation during a financial year thus compromising the programme on the WSP.

1.4.4.4 IT Strategy

The IT strategy is in place. Its purpose is to give a focus and framework for future IT investments and projects linking these into the priorities of the IDP. It is also aimed at raising the profile and awareness of the importance of IT investments and the governance which surrounds these and associated benefits realisation. (See attached IT Strategy)

1.4.5 Inter-Governmental Relations Structures

The municipality participates in a number of IGR structures and below is the highlight of some of these structures:

The Premier's Coordination Forum (PCF)

In accordance with the Inter-Governmental Relations (IGR) Act (2005), the Mayor participates in the PCF coordinated by the Office of the Premier. It sits four times a year. The Premier chairs the forum. MEC Cogta is the co-host. Other than Municipal Mayors, the Province invites Municipal Managers, CFOS AND Deputy Mayors to sit in this Forum. The forum discusses mainly issues that affect local Government.

Mayor's Forum

In accordance with the IGR Act (2005), a Mayor's Forum was established in 2006 for the District. This Forum is functioning and meets on a regular basis. The District Mayor chairs this forum. It discusses issues around service delivery and challenges affecting Locals as well as resolutions taken at Provincial level.

Speaker's Forum

The District has an established Speakers Forum and HCM participates in the Ugu District Municipality's Speakers Forum. The purpose of the establishment of the Speakers forum is therefore to ensure that:

- There is uniformity and consistency in the management and operation of the Offices of the Speakers of the Ugu District Municipality,
- To facilitate and oversee that the programmes and initiatives of Speakers at local municipalities are implemented,
- To identify and implement programmes aimed at realising one of the key objectives of local government, i.e. deepen democracy,
- To coordinate and ensure active participation of communities in matters of local governance,
- To ensure coordination and streamlining at all the member municipalities,
- To initiate and implement training and capacity building programs for councillors

The Speakers forum has one ordinary meeting per quarter, provided that the other members may request a special meeting by making a written submission to the chairperson. The Chairperson of the Forum is the Speaker of The District Municipality. Meetings of the Speakers Forum rotate among member municipalities.

The Municipal Manager's Forum

The Municipal Manager's Forum was also established in 2005 by the District and meets on a regular basis. Issues raised at this forum are discussed at Corporate Management meetings by management. This Forum sees to it that resolutions taken at Mayors forum are being implemented. It also discusses challenges experienced at their locals. Munimec, which is a technical support for PCF discusses issues affecting at both local and District level and so these issues are further discussed at the Managers' Forum and seek way forward.

Chief Financial Officer's Forum

There is a functionality of CFO Forums and are held on a quarterly basis to discuss financial management issues. The Chairperson for this Forum is the CFO of the District. This Forum also deliberates on Audit opinions.

Planners Forum

The planners' forum meetings are held on a monthly basis. Meetings are chaired by the district IDP Manager. The Planning Development Unit renders secretarial services; The Forum Consists of the six local municipalities IDP Managers and town Planners. Coordinate technical submissions and the compilation of the respective IDP documents

- Ensure horizontal alignment between the district and local municipalities IDP's,
- Ensure vertical alignment between the district and local municipalities, National and Provincial spheres.

1.4.6. Institutional Structures

IDP Steering Committee

- Develops terms of reference for various planning activities
- Provides guidance on planning matters
- Monitors IDP and review progress on a quarterly basis
- Make recommendations to the IDP Forum
- Takes decisions on administrative matters in line with legislations, policies and COGTA guidelines
- Give strategic support and give guidance to the IDP Manager
- Ensures that information is provided to the IDP Manager in time and communicates IDP issues with staff members ensures that IDP manager does not end up thumb sucking information
- Overall Management including appointments o consultants
- Refers matters to relevant committees for further investigations, research and alignment
- Closely monitors and evaluates consultants' progress and performance
- Considers inputs from all stakeholders and make amendments accordingly.

IDP Cluster meetings

- Provide technical assistance on Planning matters
- Make recommendations to the Steering committee
- Provide departmental issues that have influence on planning
- Consider inputs from sub committees
- Assists in developing terms of reference for consultants

MPAC

The MPAC committee is made up of eleven councillors from all the political parties presented in Council. It is chaired by the opposition party and makes recommendations to Council on monthly basis. Amongst other duties, the committee oversees the work of Exco, portfolio committee, OPMS, does special investigations and other adhoc assignments.

The MPAC is a committee of the municipal council, appointed in accordance with section 79 of the Structures Act. The main purpose of the MPAC is to exercise oversight over the executive functionaries of council and to ensure good governance in the municipality. In order for the MPAC to fulfil this oversight role, it needs to be provided with the necessary information and documentation to interrogate the actions of the executive.

The MPAC must interrogate the following financial aspects addressed in the Municipal Finance Management Act:

- Unforeseen and unavoidable expenditure (Section 29)
- Unauthorized, irregular or fruitless and wasteful expenditure (Section 32)
- The quarterly report of the mayor on the implementation of the budget and the state of affairs of the municipality / SDBIP (Section 52(d)
- Monthly budget statements (Section 71)
- Mid-year budget and performance assessment (Section 72)
- Mid-year budget and performance assessment of municipal entities (Section 88)

1.4.7 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

Strengths	Weaknesses
• Inter-governmental Relation structures in place and functioning • Workplace skills developed • Employment Equity Plan as well as the Human Resource Plan	
Opportunities	**Threats**
• Most Communities have access to basic services supplied by the different powers	• Failure to attract and retain females at management level

1.4.8 Key Findings

Key Challenges	Description
1.Employee retention	The municipality faces challenges in retaining females at management level
2.Municipal powers and function	Some powers are not fully functional

1.5 Good Governance and Public Participation

It is essential to practice good governance for stability, sustainable development and growth. The Provincial government has ensured that there is good financial management, proper budgeting and investigation of fraud and corruption. Hibiscus Coast Municipality has good efficiency in terms of good governance and public participation. All systems and structures are in place and fully functional. The Audit and Risk management for an example are fully functional and bring assurance and consulting activity designed to add value and improve an organization's operations. These two units also assist the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The Back to Basics policy states that Good governance is at the heart of the effective functioning of municipalities and the Local Back to Basics Strategy highlight certain issues that need to be performed as legislated.

1.5.1 Intergovernmental Relations

Table 28: Intergovernmental relations

Municipal Turnaround Strategy Priorities						
MTAS Priority	**Milestone**	**Detailed Activities**	**Responsible Official/ Department**	**Target Dates**	**Blockages / Challenges**	**Support Needed In Terms of Unblocking**
Roads infrastructure provision and maintenance	Comprehen-sive infrastructur e plan	Development of the infrastructure plan	MR S Dlamini (DHSI)			KZN Transport, Housing, Public works, COGTA
Municipal buildings maintenance	Maintenanc e plan	Develop and communicate the plan with Council and management	MR S Dlamini (DHSI)			Liaising with HoDs
Housing provision	Construction of units	Facilitate housing provision and liaise with provincial Housing department	MR S Dlamini (DHSI)		Red tape in application approval and delays	Department of Housing to fast track application approval and proper management of consultants



Electrification	Provide infrastruct-ure and cover in-fills	Develop an electrification master plan Align with Eskom	MR S Dlamini (DHSI)		Eskom does not plan with the municipality	Eskom to align with municipal plans and advise planning processes Technical support
Solid waste services	Effective collection and extend services to un-serviced areas	Implementation of the Integrated Waste Manage- ment Plan (IWMP)	MR S Nzimande HoD: Community Services			Nil
Effective municipal by-laws	Develop and enforce municipal wide by-laws	Fine and prosecute	MR S Nzimande HoD: Community Services		Co-operation from other depart-ments	Nil
Debt recovery	Recover outstanding debt	Correct customer billing Review the revenue enhancement strategy	vacant		Correct billing	Nil
Develop a financial plan	Adoption of the credible financial plan	Development of the financial plan in compliant with the MSA & MFMA	vacant			Treasury
IT Governance strategy	Develop-ment and implementat ion	Development and implementation	Mrs NThabatha HoD: Corporate			
Improve LED	Improve economic growth	Implement LED strategies contained in the IDP Develop an incentive scheme	Mr. S Zama (DEDT)			
Effective ward committees	Support ward committees	Provide necessary training, stipend, ensure departments action issues coming from ward committee meetings, etc.	Mr KJ Zulu (DSPG)		Political support	COGTA

1.5.2 Municipal Structures

Table 29: Role and Responsibilities of Main Entities in IDP Process

No.	Role Players	Roles And Responsibilities
1.	**Ugu District Municipality**	• Horizontal alignment of IDP' s between local and the district; • Vertical alignment between district and local municipalities, National, Provincial as well as other district municipalities • Formulate the district process plan based on the district's framework plan; • Formulate, manage and approve districts IDP; • Monitor and evaluate the district IDP process plan; • Ensure that draft process plans are compiled by the local municipalities with Ugu District; • Ensure that the process plans adhere to the framework as agreed; • Ensure that all local municipalities under the district adhere to the timeframes in the framework plan as agreed; • Coordinate the alignment of the district's budget process with the district IDP Process and local IDP processes; • Facilitate vertical alignment of IDP's with other spheres of government and sector departments and the preparation of joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists; • Give financial support in line with its financial policy; • Give institutional support to develop expertise.



2.	**Hibiscus Coast Municipality**	• Guide provincial sector departments participation in their contribution to the municipal planning processes; • Guide departments in assessing draft IDP's and to align their sectoral programmes and budget with the IDP's; • Assist in accessing financial grants for IDP process; • Monitor the progress of the IDP processes through the district and IDP Managers Forum; • Facilitate resolution of disputes related to the IDP; • Organize IDP-related training when required; and • Co-ordinate and manage the MEC's assessments and comments with regards to IDP's. • Orientation of councilors on IDP.
3.	**Ugu Planners Forum**	• Meetings to be chaired by the district IDP Manager; • Planning Development Unit render secretarial services; • Consists of the six local municipalities IDP Managers; • IDP Forums to be held quarterly to: o Coordinate technical submissions and the compilation of the respective IDP documents o Ensure horizontal alignment between the district and local municipalities IDP's, and o Ensure vertical alignment between the district and local municipalities, National and Provincial spheres.
4.	**Provincial of Co-operative Governance and Traditional Affairs**	• Coordinate participation and cooperation of all other key sector departments. • Monitor and advice the municipalities on the drafting, review and implementation of the IDP. • Ensure that sector department's planning is informed by Hibiscus Coast plans and IDP • Closely monitor sector departments performance in terms of fulfilling their core functions and support Hibiscus Coast

5.	**Sector Departments**	• Identify an IDP Coordinator in the sector departments • Contribute knowledge and ideas about planning issues in the province and sectors; • Contribute relevant information on the provincial sector departments plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner; • Ensure that their objectives and strategies and projects take various IDP's into consideration and adjust their budgets as informed by the various IDP's into consideration and adjust their budget as inform by the various IDP's; • Engage in a process of alignment with district municipalities, and participate in the provincial management system and co-ordination; • Ensure active participation in IDP Representative Forum and Task Teams.
6.	**Ugu District Development Planning Unit**	• Development Planning Unit provided the following function: • Provide methodological guidance and support to local municipality during the IDP implementation and review and well other planning processes; • Support the planning and implementation management process of local municipalities and district municipality • Establish and maintain close links with public and private service providers for proper programme alignment in municipal; • Provide information to municipalities relevant national and provincial policy and legislation frameworks; • Organize/conduct relevant training events for municipalities to build their planning and implementation management capacity; and • Liaise with Donors and other state agencies for municipalities to build their planning and implementation management capacity; • Liaise with Donors and other state agencies for funding to the municipalities; and • Render secretarial services to all district communication and sub-committee.

The Ugu District Municipality's IDP forum meetings are held on a monthly basis. The Planners forum committee was established to assist with capacitation and empowerment of the local municipalities that fall within Ugu District Municipality's area of jurisdiction. The committee comprise of Ugu District Municipality, IDP managers and town planners from the six local municipalities and COGTA. The committee also ensures that the Integrated Development Plans of municipalities are aligned. The committee also desire local municipalities to align with the district municipality, provincial departments and get advice and assistance required prior to the IDP assessments. There is a room for improvement to enhance the functionality of the District Planner's Forum.

The department fully participates in the IDP Forum meetings and provided technical support in the IDP development process. The municipality also attended all the IDP Indabas organised by the department. The department also provides financial and technical support to support municipal development and planning initiatives. The internal and external forums that contribute and inform the IDP Review are:

Table 30: Process Plan and Internal Structures

Role Player	Purpose	Date/Venue
Council	• Adopt IDP Process Plan • Consider draft IDP • Consider public comments • Adopt final IDP	• August 2015 • 2 7 March 2015 • April 2015 • 30 May 2015
EXCO	• Consideration of process plan • Confirmation of key issues and consideration of IDP Cluster Meetings recommendations. • Confirmation of resources allocation per key issue. • Consider vision statement. • Consider IDP prior Council approval.	• August 2015 • December 2015 • March 2015 • February 2015 • May 2015
IDP Representative Forum	• Input on vision, objectives and strategies. • Input on priorities and projects • Consider and recommend IDP document for council approval	• November 2014 • 14 February 2015 • April 2015

IDP Cluster Meetings	• Provide strategic direction • Advise • Provide departmental support	• August 2015 • October 2015 • February 2015
Steering Committee	• Consider process plan. • Revision of strategic framework. • Compilation of preliminary project list • Determine if external assistance is required consultants) • Planning of project planning phase, setting up of project teams and determining terms of reference for project teams. • Review progress made with project plans • Screening of all project plans • Consider comments and objections received to the revised IDP	• August 2015 • February 2015 • March 2015 • March 2015 • March 2015 • March 2015 • March 2015 • May 2015
COGTA	• Alignment of projects and programmes by Sector Departments and Municipalities	• November 2014
Public Participation	• Community needs • Budget • Community consultations and participation	• April 2015 and November & April 2015

The municipality uses a task team approach for management to the development agenda in an integrated manner and ensuring ownership at corporate management level. The rationale behind this approach is to ensure management take full control of the IDP given the recognition of the IDP as the master strategic plan of the municipality. The task teams are led by the Heads of Departments looking at strategic position of each department, cross cutting matters, how departments can support and assist each other to fast track and ensure implementation plans. IDP Task Teams focuses on the following IDP Review key focus areas:

- Infrastructure provision and maintenance
- Budget aligned to the IDP priorities
- Development and implementation of Strategic Sector plans
- Good Governance and accountabili8ty
- Financial viability and value for money
- Spatial planning and rural planning development
- Youth development and skills development

- Job creation, economic growth and transformation
- Safe and healthy environment
- Effective supervision of service providers
- Knowledgeable communities
- Tourism industry support
- Promoting sports and recreation and cultural diversity

The clusters are divided into three categories as follows: Social Services; Infrastructure and Economic Development and Financial Management & Corporate Governance. The clusters are convened by HCM Head of Departments as follows:

Table 31: IDP Task Team

Cluster	Good governance, Corporate	Infrastructure Planning and Economic Development Cluster	Community Services and
Chair	DSPG	DHSI	DComm Services
Deputy	CFO & DCS	DPE	
Composition	X2 Managers Manager Budget and Finance Manager Special Programmes Occupational Health Officer	X2 Managers Manager Budget and Finance Manager Special Programmes Occupational Health Officer	X2 Managers Manager Budget and Finance Manager Special Programmes Occupational Health Officer
Focus Areas	• Good governance and accountability • Effective and efficient governance • Organisational and skills development • Professionalism • Youth development • Sector plans development • Municipal policies • HIV/Aids	• Sustainable Infrastructure provision • Infrastructure maintenance plans and strategies • Infrastructure backlog eradication • Sustainable job creation • Economic growth & transformation • Tourism • Sector plans development • Orderly planning • Effective environment management • Rural development • Cohesion and integration • HIV/Aids	• Safety and security measures • Effective provision of services • Sector plans and strategies development • HIV/Aids • Waste management • Knowledgeable communities • Cultural diversity



1.5.3. Audit and Risk Management

Both the Internal Audit unit as well as Risk Management unit operates under the Office of the Municipal Manager with the latter regarded as an independent unit. The objective of both units with different roles and responsibilities or areas of focus is to bring assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. They report to the Municipal Manager and but for operational reasons day-to-day administered by HoD: Strategic Planning and Governance. The Internal Audit unit further reports functionally directly to an Audit Committee which consists only of external members.
The scope of work of the Internal Audit Unit entails, inter alia, whether the Hibiscus Coast Municipality's risk management, control and governance processes as designed by Management are adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed
- Interaction with various departments within Hibiscus Coast Municipality and other stakeholders occurs;
- Significant financial, managerial and operating information is accurate, reliable and timely;
- Employees' actions are in compliance with relevant policies, standards, procedures and applicable laws and regulations;
- Resources are acquired economically, used efficiently and adequately protected;
- Quality and continuous improvement are fostered in Hibiscus Coast Municipality's control processes;
- Significant legislative or regulatory issues impacting on Hibiscus Coast Municipality are identified and adequately addressed;
- Evaluating and reporting on the Municipality's performance and management

The municipality prepared the Annual Report covering 2012/2013 financial year in line with Chapter 12 of the Municipal Finance Management Act, No. 56 of 2003 and National Treasury Regulations. The National Treasury Checklist was used as a benchmark to ensure credibility of the annual report. The annual report was submitted to the Auditor General's office for assessment. Two Oversight Committee meetings including the workshop on the annual report were held.

The annual report was tabled by full Council in January 2014. Thereafter the public consultation commenced on the annual report for a period of 21 days. Council considered and adopted the report with the Oversight Report in March 2014. The Annual report together with the oversight report was submitted to the Auditor General's office and COGTA in compliance with the legislative prescripts

As a formal participation structure for the IDP process it is only proper to elaborate on it, and below are its functions:

- Informs affected and interested groups, communities and organization/institutions on relevant planning activities and their outcomes
- Chaired by the Portfolio chairperson of Town –Planning and Building control
- Determines priorities, analyze issues, negotiate and reach consensus
- Participates in project design and monitor and asses projects
- Makes recommendations on planning matters to Council
- Ensures that all sector departments play their role accordingly and fully participate in municipal planning
- Chairperson has a right to discipline members who do not participate meaningfully and inform their principals of their unsatisfactory participation.

All the Municipality's bid committees are in place and functional. These include the Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication committee. Portfolio Committees are also functional and chaired by Exco members. The committee sits once a month to check and monitor the progress of the Municipality. The Municipal Public Accounts Committee (MPAC) sits once a month.

The Council has adopted promulgated bylaws and these are currently being reviewed. These are: Credit Control bylaw, Fire bylaw, Beach bylaws, Rates bylaws, Solid Waste bylaws, Informal Trading bylaws, Hiring of halls bylaws and Environmental Conservative bylaw.

1.5.4 Risk Management

The need for risk management is to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the municipality's service delivery capacity. It is an appropriate proactive way of managing risks and to successfully achieve the municipality's goals and strategic objectives.

The municipality has strategies in place to manage risks. The process starts with the risk assessment session where management identify the currently existing risks and as well as possible risks. Once these risks have been identified management comes up with future action plans to mitigate the identified risks and the target dates for implementation of the future action. Once the risk assessment has been finalised, the Risk Management Officer develops a risk register. The risk register is submitted to the Risk Management Committee, Corporate Management Committee and to the Audit Committee.

The Risk Management Officer constantly monitors the implementation of the future action plans and reports the progress of implementation quarterly to the Risk Management Committee, Corporate Management Committee and to the Audit Committee.

1.5.5 Communications Strategy

HCM has a communication strategy in place. The strategy is intended to serve as the spring board for the Hibiscus Coast Municipality to improve effective communication with the citizens and all relevant stakeholders on municipal services and on local issues. HCM Communication Strategy shall be reviewed in every Local Government Elections Cycle review. The Council or the Executive Committee can through a special resolution call for an earliest review of the Strategy.

In order for HCM to achieve the stated strategic emphasis, this strategy:-

- Subjects councillors and employees to communicate information which is aligned to municipality's vision and mission and other government legislation
- Displays the belief that communication is a fundamental factor in the achievement of the goals of accountable, open, transparent and responsive local government
- Commits itself to compliance with all relevant statutory prescripts regarding the making available of information held by the municipality.

Following is a very brief summary of the objectives of the Strategy.

Research has shown that communication has in modern times become a fundamental tool used by organizations to remain in touch with their clientele. In this context, the objectives of this strategy are:

- To ensure that the municipality does not lose touch with its constituency by ensuring that the principles of Batho Pele are advanced and promoted at all times.
- To comply with the legal obligations as prescribed in the Constitution and the other relevant Acts of Government in the upholding of democratic values and principles

- To provide a mechanism of communication between the Hibiscus Coast Municipality(HCM), the community and the other sector departments and stakeholders
- To proactively provide the public with timely, accurate, relevant, understandable and complete information about HCM vision, policies programmes, services and initiatives using recognised languages.

1.5.6 Bid Committees

Hibiscus Coast has three Bid Committees namely the Bid Specification, Bid Evaluation and Bid Adjudication Committees which were established 2003.

Each Bid Committee comprises of 5 members of which 1 member being from the Procurement Section and the Bid Adjudication Committee chaired by the Chief Financial Officer.

In accordance with Chapter 11 of the Municipal Finance Management Act, 2003 (Act 56 of 2003) delegated authority had been bestowed to the Bid Specification Committee to approve tenders and tender notices whereas the Bid Adjudication can adjudicate all tenders up to the value of R5million. Any value over and above will be awarded by the Municipal Manager at his discretion.

In accordance with the Supply Chain Management Regulations and Section 17of the Hibiscus Coast Municipality's Supply Chain Management Policy, all awards made by the Bid Adjudication Committee are submitted to Council monthly as part of the oversight role.

1.5.7 Public Participation Analysis

The purpose of this section is to discuss public participation as an integral part of the IDP development and implementation process. The section also outlines principles, processes and structures to ensure effective public participation in the development and implementation of an IDP.

As per Back to Basics approach, municipalities must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information. The basic measures to be monitored include:

- The existence of the required number of functional Ward Committees
- The number of effective public participation programmes conducted by Councils
- The regularity of community satisfaction surveys carried out.

HCM encourages public participation of local communities through various mechanisms including but not limited to ward committees. Ward committees were established in all 29 wards. Public participation by various stakeholders e.g. Traditional Authorities have been involved. The Mayor ensures that she meets at least once quarterly with Amakhosi and Council has recently resolved that Amakhosi should sit on all council meetings. HCM has also adopted a Community Participation Strategy whereby it commits itself to use community based planning to ensure communities even the marginalized are involved in the development from the initial phases of development projects.

This function falls under the Office of the Speaker and the Manager reports direct to the HoD Strategic Planning. Public participation is encouraged through the Mayoral Izimbizo and Budget Roadshows. The municipality is in a process of developing a public participation strategy that will ensure effective and coordinated efforts of deepening public participation. A public participation forum has been established to effectively deal with public participation structures and issues thereof.

Putting People First (Batho Pele)

In line with the Local Government Back to Basics programme, seven drafts IDP/Budget izimbizo clustered were held to ensure that more voices were heard and participated in the development of the municipality. Most clusters / wards communities commended the good work interms of service delivery performed by the municipality. However, there were wards who requested for basic services including housing, roads, water, sanitation, health care facilities, skills development, access to government grants, community facilities and enhancement of HIV/AIDS programmes.

In more affluent wards, communities were not satisfied with the slow pace of service delivery especially relating to bad condition of roads, potholes, no verge cutting and rubbish collection services, non-response to ward committee minutes and letters sent to the municipal offices, lack of supervision which results in poor workmanship. The Municipality had there for committed to speed up service delivery and where there are backlogs and challenges be addressed. Seven enemies of the municipality were identified during one of the Service Delivery and Implementation plan sessions which potholes was one of them. Already the municipality together with SANRAL is fully committed to fixing all the roads and affected communities are applauding this move.

Table 32: 2014/2015 IDP/Budget Izimbizo schedule

DATE	CLUSTER	WARDS	VENUE	TIME
10 November 2014	2	04,12,17,18	Merlewood Youth center	17h00
11 November 2014	5	02,03,06,19	Uvongo Town Hall	10h00
12 November 2014	4	25,26,27,28	Sbonguzulu Secondary School	10h00
17 November 2014	7	01,10,11	Braemer Hall	10h00
18 November 2014	3	20,21,22,23,24	Hlanganani Primary School	13h00
19 November 2014	6	05,07,08,09 &29	Bashise Primary School	10h00
20 November 2014	1	13, 14 , 15 , 16	Magog Community hall	10h00

The approach adopted in the preparation of the Review IDP 2015/2016 is strongly guided by the guidelines prepared by the Department of Provincial and Local Government (DPLG) as set out in the IDP guide packs and the IDP simplified format. Hibiscus Cost Municipality is gearing itself to align with economic advantages and competitiveness that are identified in the PGDS. This IDP Review is in line with the Department of Co-operative Government and Traditional Affairs' Revised Guideline for IDPs.

Ward committee functionality

Participation takes place in different forums, meetings and gatherings. The IDP Representative Forum is the main forum where external stakeholders including provincial departments, Traditional Leaders/Amakhosi, Ugu district municipality, business, entities and parastatals are invited to discuss developmental challenges facing the municipality and means of overcoming developmental challenges. This review process also had an advantage of a ward planning process that happened parallel and meant to inform this IDP Review. Also the fully functional ward committee strengthens the participation process. The Mayoral Izimbizo in November 2014 once again formed the cornerstone of public participation for this process.

All ward committees are committed to serve their communities and are fully functional. The municipality has conducted workshops to capacitate the ward committee component to ensure the ward committees are fully functional and effective. Furthermore the municipality has set resources aside to assist with the operational costs of the ward committee structures to enrich public participation and therefore the IDP.

Systems have also been put in place to effectively and efficiently deal with ward committee issues. The municipality has delegated managers and HODs to serve as secretariats at the ward committee meetings to provide more support and ensure that issues that are deliberated at these meetings are service delivery based and that Council effectively addresses the issues raised at the ward committee meetings. The municipality in partnership with IDASA is capacitating the ward committees.

The non-attendance of Sector Departments poses a number of challenges and limitations for the Municipality such as

- Limit level of engagement and knowledge sharing
- No proper alignment
- Duplication of funding
- Department projects that are not urgent to communities
- Some sectors are neglected some remain unfunded

Operation Sukuma Sakhe (OSS)

The municipality has partnered with the Ugu district as well as provincial departments in implementing the Sukuma Sakhe flagship programme. More focus is placed on the most deprived wards including ward 8 and 29 as wards / areas most affected by poverty. A number of households in these areas live in extreme poverty, but through the Sukuma Sakhe flagship, there has been sustainability. The programme has been rolled out to all the 29 wards of the municipal area. War rooms have been established in various wards. The medium deprived areas include:

- Ward 4. Nkulu, Mgolomi,Oshabeni
- Ward 5. Manzamhlophe ,Ntaba(KwaXolo)
- Ward 7. Gcilima, Nkampini, (KwaXolo)
- Ward 10. Thundeza, (KwaNzimakwe)
- Ward 11. Thongasi, Carlifonia(KwaNzimakwe)
- Ward 14. Magog (KwaMadlala)
- Ward 21. Mbayimbayi, Mdlazi, (KwaNdwalane)

1.5.8 Amakhosi

The Municipal Structures Act, Section 81 stipulates that Traditional Authorities may participate in the proceedings of the Council. This is carried out in an event for an example the municipal council takes a decision on any matter affecting the area of a traditional authority, the council must give the leader of that authority the opportunity to express a view on the matter. HCM has adhered to this section of the Act. The six Authoritative Areas are fully represented by Amakhosi during Council meetings.

1.5.9 Budget Transparency

Whilst the municipality's budget is closely monitored on a monthly basis by the relevant oversight structures of the council, no overspent or under spending of the operational budget was experienced in the previous financial year. However, there has been a significant under spending of capital budget, but management has employed the following measures to arrest the situation in order to ensure 100% spending of capital budget.

1.5.10 Audits and Qualifications

The municipality's commitment to national targets of clean audit and that corrective action plan to address all the findings raised by the AG is in place and closely monitored by Finance portfolio, EXCO, MPAC and audit committee.

1.5.11 Portfolio committees

The 6 Portfolio committees are functional and sit once a month to deliberate on issues facing their respective departments**.**

1.5.12 Good Governance and Public Participation Strengths, Weaknesses, Opportunities and Threats

SWOT ANALYSIS

Strengths	Weaknesses
• Ward committees are fully functional • Effective Municipal structures • Excellent task team Management • Internal audit and Risk Management in place	• Little alignment of IDP and the other Ugu Municipality family
Opportunities	**Threats**
• Improved flagship program • Improve the functionality of the District's Planners Forum	• Little participation of sector Departments • Slow pace of service delivery

1.5.13 KEY FINDINGS

Key challenges	Description
1.Budget transparency	There is under spending on capital budget
2.Very little participation of Sector Departments	Most sector departments do not attend IDP Forums and this has often led to non-alignment amongst them.

1.6 Basic Service Delivery Analysis

The essence of Back to Basics amongst many is to create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore services with urgency.

The 2030 NDP vision is to create a decent standard of living for all, which is in practice a role of local government as per the Municipal Systems Act directly and indirectly as these services happen on space. The MEC in his State of the Province Address (June 2014) stated that remarkable achievements have been made in increasing the access to service delivery such as water, sanitation and electricity. He further mentioned that bucket system anywhere including informal settlements must be eradicated to restore the dignity of the people.
Hibiscus Coast Municipality can announce proudly that over the years it has taken strides in ensuring that it aligns with this National requirement which states that everyone has a right to basic services. The municipality has managed to eradicate the bucket system and afforded its communities clean water and sanitation as well as good infrastructure. It must be noted however, that in as much as the municipality prides itself in these service provisions, there is still room for improvement as some areas in certain communities are still without piped water and rely on supplied truck water by Ugu District.
Following is a detailed outline of the services offered by the municipality.

1.6.1 Water and sanitation

One of the Key performance areas for the Back-to-Basics approach is Basic Services where by decent living conditions must be created. The planning, implementation and maintenance of basic infrastructure is critical for sustaining basic standards of living and economic activity in our towns and cities. Furthermore, the Back to Basic policy states that Municipalities are expected to perform the following basic activities, and the performance indicators will measure the ability of the municipalities to do so:

- Water and sanitation
- Human Settlements
- Electricity
- Waste Management
- Roads
- Public Transportation

1.6.1.1 Water

The Hibiscus Coast Municipality does not provide water services. Ugu District Municipality is the water authority therefore the Ugu District Municipality performs water services on behalf of the Hibiscus Coast Municipality. The municipal area is generally covered with well-developed bulk infrastructure and networks albeit with some backlog in the hinterland. The district is making strides to ensure that even rural areas have access to water. Currently the district is implementing projects both in urban and rural areas however in some rural areas though the water pipes have been installed the challenge that the pump stations are not connected to power.

The water supply zones in the municipality are defined as below however a further analysis is still required where a number of interconnections exist to allow certain areas to be supplied from more than one bulk supply source.

Table 33: Water supply

Zone	Areas
Mhlabatshane	Assisi
Bhobhoyi	Hibberdene to Ramsgate, Port Shepstone, Fairview, KwaMadlala, Gamalakhe and Nositha
Umtamvuna	Southbroom to Port Edward, KwaNzimakwe and KwaXolo,

Stats SA Census 2011

The table below indicates a comparison in percentages of households that have piped water services within the municipality as well as the percentage difference between those households with flushed toilets connected to the sewer.

Table 34: Percentage for both sewerage and piped water

Flush Toilet connected to sewerage %		Piped Water Inside Dwelling %	
2001	**2011**	**2001**	**2011**
30.8	29.6	30.5	40.5

StatsSA Census 2011

Hibiscus Coast Municipality through Ugu District has played a vital role in providing clean drinking water to approximately 61 876 households. Out of the total households within the municipality, only 10299 households are still without. There are still backlogs in terms of clean water provision to some areas in rural areas, and this adds up to 14%. These households use spring, dam and rivers as sources of water and are prone to a number of water borne diseases. The Municipality has also made provision of water tankers to supply water to those communities with little or no access to water.

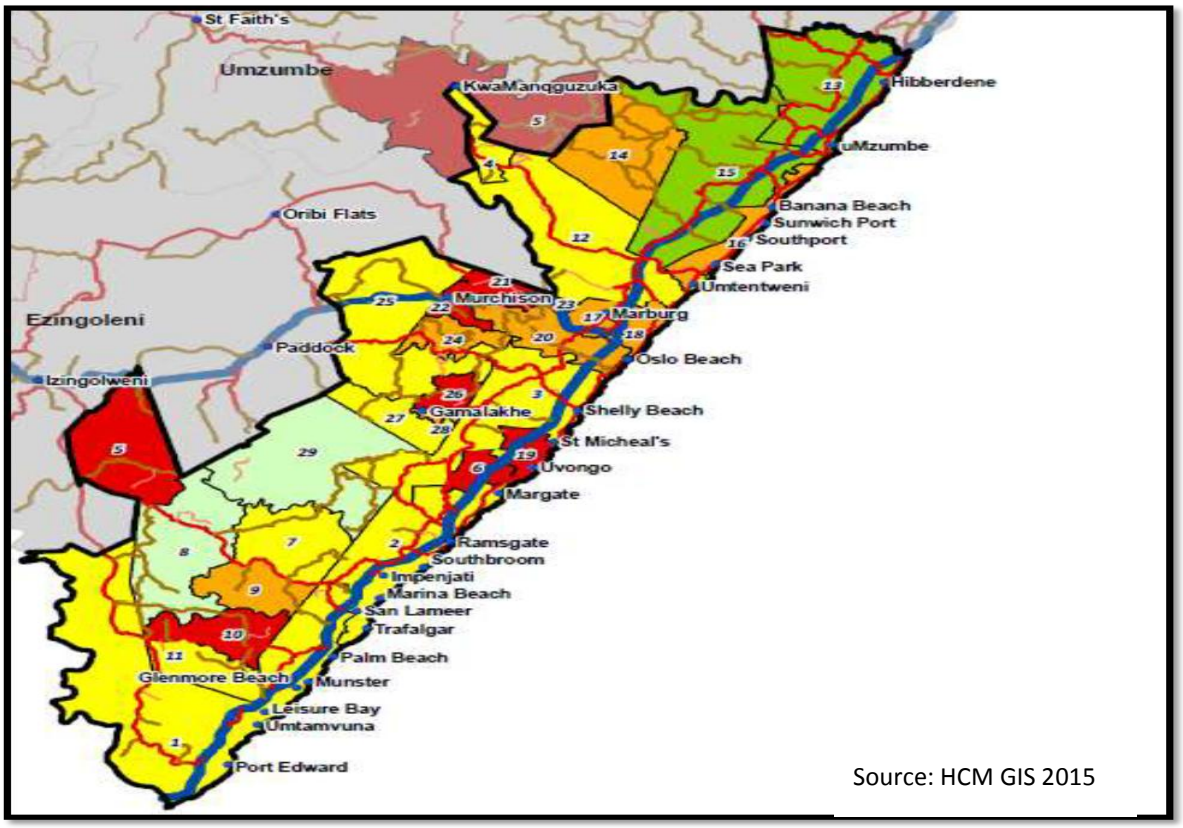
Table 35: Sources of water

Sources of Water	House
Regional/local water scheme (operated by municipality or other water services provider)	61876
Borehole	1
Spring	4
Rain water tank	5
Dam/pool/stagnant water	1
River/stream	2
Water vendor	1
Water tanker	1
Other	1
Not applicable	-

The challenge is to consider waterborne refurbishment / upgrades in areas targeted for future housing, i.e. all tribal areas, Marburg and Hibberdene. It is also important to identify areas with VIP systems and work on the plan for the future once their lifespan is reached.

The map that follows indicates areas with access to water.

Map 18: Areas with Access to Water



1.6.1.2 Sanitation

HCM is not a sanitation service authority municipality hence water and water services are planned and provided by the Ugu District Municipality. Therefore, sanitation provision is the responsibility of the Ugu District Municipality. Most of the treatment plant facilities are owned and managed by the Ugu District Municipality other treatment plants are privately owned and privately managed. There are several pump stations in the reticulated areas whilst waste water treatment plants are generally located inland of the coastal strip. Steep topography can be a hindrance in water supply. Ugu Water Services Development Plan estimates that 2.1 billlion is required to meet the waterborne sanitation backlog between Sezela, Umtentweni, Southbroom and Port Edward. Approximately 0.9 billion of capital is required to meet the more densely populated areas including the strip from Port Shepstone to Ramsgate, Gamalakhe and Harding. The densely populated areas should be clearly identified and proper town planning be implemented to speed up township establishments. Hibiscus Coast Municipality is benefiting from the R50 million which is currently being spent on the upgrades and reticulation of parts of Pennington, Uvongo and Shelly Beach areas.

The table below indicates the waste water treatment works and their treatment capacities within the municipality.

Table 36: Waste Water Treatment and Treatment Capacities

Name	Treatment capacity
Gamalakhe WWTW	±3Ml/d from pe of 18 000
Hibberdene WWTW	Reported to be 250 kl/d
Margate WWTW	4 500kl/d with COD of 550mg/l from a pe 200 000
Port Shepstone (Mbango) WWTW	±6000kl/d with COD of 700 mg/l from a pe of 38
Melville WWTW	± 300kl/d from a pe of 1600
Palm Beach/ Trafalgar WWTW	700kl/d with 600mg/l from a pe of 3800
Ramsgate WWTW	700kl/d with COD of 800 mg/l from a pe of 5100
Port Edward (Red Dessert)	± 600kl/d from a pe of 3800
Shelly Beach	750 kl/d with a COD of 600 mg/l from a pe of 4000
Southbroom WWTW	± 120 kl/d from a pe of 1100
Uvongo WWTW	2400 kl/d with COD of 800mg/l a pe of 17500

The challenge is consider waterborne refurbishment / upgrades in areas targeted for future housing, i.e. all tribal areas, Marburg and Hibberdene. It is also important to identify areas with VIP systems and work on the plan for the future once their lifespan is reached. The following figures are an indication of the high number of households which still do not have sanitation.

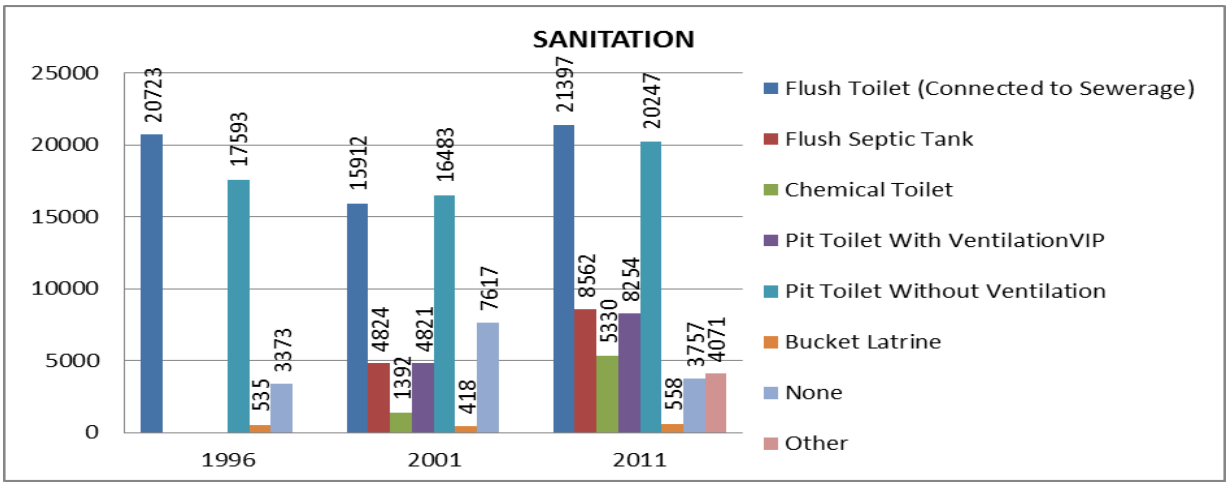
Table 37: Sanitation Needs and Cost Estimates

Number of	Backlog (Households)	Estimated Cost (R)	No. of VIP's
50650	14493	R 72 465 000,00	14493

Access to sanitation

Communities throughout the municipality comprise of different types of toilet systems utilized. However, the flush toilet system is the most dominant, standing at 29.6%. This means that there are more people using this system as compared to the other systems. As compared to 2001 where pit toilets stood at 1392, there was a very high increase of this system to 8254. This may be attributed to the fact that HCM's population grew with many people starting to live around the towns' peripheries for economic purposes. Informal settlements grew in numbers. The bucket latrine system is active and the figures indicate that there are many people without proper sanitation. It must be known that the bucket system is mainly used at night by those people who have the VIP latrines and dispose in the morning. The Pit toilets without ventilation however are not viable toilet systems as these pose environmental and human health threats.

Graph 18: Access to sanitation



Stats SA2011 census

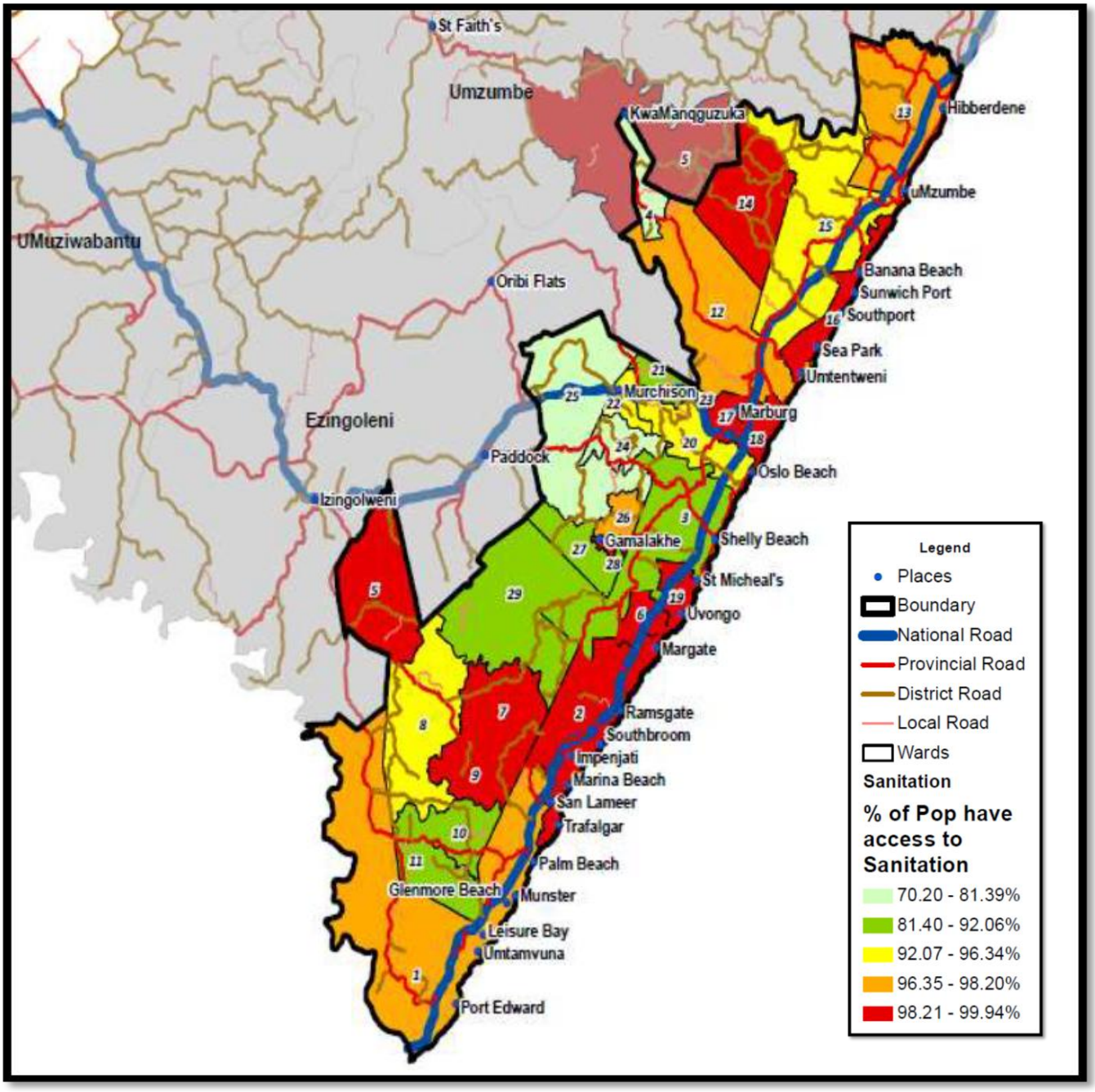
1996 shows that there were only three toilet options within the municipal area with flush toilet and pit toilets without ventilation being rife and bucket latrine in very few instances however there were many without any sanitation facilities (3373). The Pit toilet without ventilation and the bucket systems are not viable toilet systems as these pose environmental and human health threats.

Between 1996 and 2001 saw an introduction of other toilet systems within the municipality which include flush septic tank, chemical toilet and pit toilets with ventilation. However, with the increasing population, the municipality saw more people without toilets but there was a decrease in pit toilets without ventilation and also on the negative there was a decrease in the number of flush toilets.

Between 2001 and 2011 there has been an increase in the number of flush toilets which surpass the figures of 1996, an increase of flush septic tank and chemical toilet. On the negative, there has also been an increase in the number of pit toilets without ventilations and bucket latrine. Households without toilets for 2011 have decreased when compared to 2001 but are still higher than those of 1996. Overall there has been an improvement in the provision and availability of proper toilet systems and the increase in the undesirable and non-availability maybe due to the increase of the inhabitants.

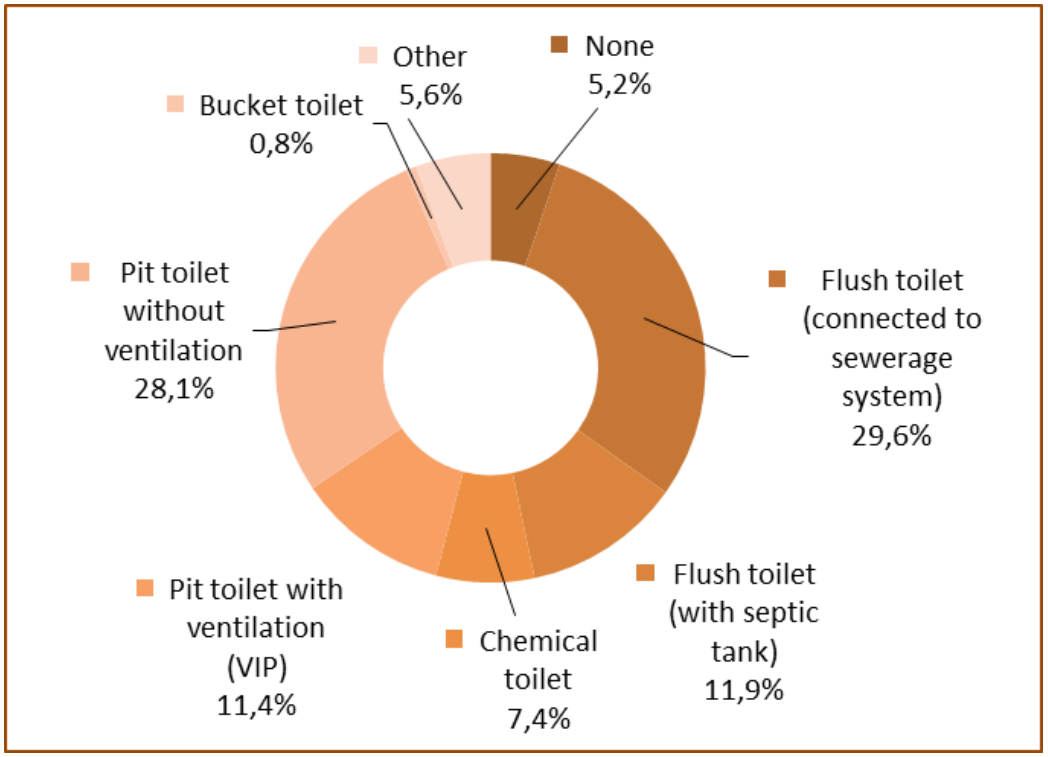
The map on the following page indicates percentage population with access to sanitation

Map 19: Access to Sanitation



Source: HCM GIS 2015

Graph 19: Types of Sanitation



Stats SA 2011

1.6.2 Solid Waste Management

There are two unregistered landfill sites within the municipality and these sites are located at Umtentweni and Hibberdene. A closure permit should be issued for the New Bolton waste site, quantify waste dumped at the waste site and it should be noted that illegal dumping is an ongoing problem at New Bolton. The Oatlands waste site is reaching its capacity and waste records of quantities and composition are not taken. There should be a designated site for recycling purposes. The waste collection zones are Hibberdene, Port. Shepstone and Margate

The Integrated Waste Management Plan is in place and currently being implemented. The current approach is focused on refuse removal of household solid waste, business and industrial waste, and development and management of garden refuse stations. The current status is as follows:

The coastal strip residential areas receive a weekly collection service for household refuse (important to look at population density in relation to this service);



- Businesses and flats within the coastal strip receive a collection twice a week
- Industrial areas have skips in place and are cleared daily
- The rural areas do not benefit from any co-coordinated, municipal approach towards refuse removal, or solid waste management; and,
- Informal settlements have skips and are cleared weekly

In 2001 only 36.3% of the households were receiving weekly refuse removal, growing only slightly in 2011 to 38.6%. Only the urban formal settlements receive this service and if looking only on that population the service covers 100% of the households. The IWMP investigates the number of registered landfill sites and their lifespan, need for new sites, extension of service and rehabilitation. The plan will explore other means of extending the service to rural communities in a cost effective and coordinated manner. Waste disposal methods and alternatives will be explored and working for waste programmes. Waste minimization, promotion of environmentally friendly waste management practices, efficient waste management and improved service delivery mechanisms.

The IWMP allows for EIA to be conducted where necessary and covers all aspects of environmentally friendly practices. The IWMP covers options that are mainly environmentally friendly. The implementation of the IWMP is still a challenge since there is no budget allocated to this function. The garden transfer stations located throughout the municipality and one of them is undergoing the EIA process. The listed projects in line with the IWMP will undergo EIA process.

In some instances the geographical landscape poses some challenges with service provision. It is a challenge to provide services to sparsely populated communities and in areas with steep terrain thus the cost of service provision is too high. The Integrated Waste Management Plan focuses on the following objectives:

- To decrease waste deposited at municipal landfills
- To build capacity through information sharing
- To improve, develop & maintain infrastructure to comply with legislative requirements & HCM needs
- To provide effective waste collection services for the municipality
- To provide effective waste management services for the municipality
- To provide cost effective waste management services
- To create, implement & enforce the necessary legal regulatory & policy framework to support waste management service throughout HCM.

- To minimize illegal dumping the municipality will embark on awareness campaigns, increase accessibility to disposal facilities, monitor and follow up where the dumper can be identified and implement a penalty system for offenders.

A service level agreement has been signed with Petco to initiate kerb side collection of recyclables in Albersville as a waste minimization initiative. The Hibiscus Coast Municipality shall create an enabling environment to recycle domestic waste. The garden transfer stations are encouraged to be utilized. The municipality requires the district's intervention in terms of coordination. There is a major backlog is in rural and peri-urban areas. The following table shows these backlogs.

Table 38: Backlogs in Solid Waste

Settlement category	Serviced h/h	Not serviced	Total h/h
Formal urban	20 082	5 683	25 765
Informal residential upgrade	111	142	253
Linked rural upgrade	1155	5228	15 061
Good access rural upgrade	1681	5228	6 909
Ltd access rural upgrade	151	1 629	1 686
Scattered	57	1 629	1 686
Total	23 237	27 415	50 652
Percentage	45.9%	54.1%	100%

Stats SA 2011

The IWMP allows for EIA to be conducted where necessary and covers all aspects of environmentally friendly practices. The IWMP covers options that are mainly environmentally friendly. The implementation of the IWMP is still a challenge since there is no budget allocated to this function. The garden transfer stations located throughout the municipality and one of them is undergoing the EIA process. The listed projects in line with the IWMP will undergo EIA process.

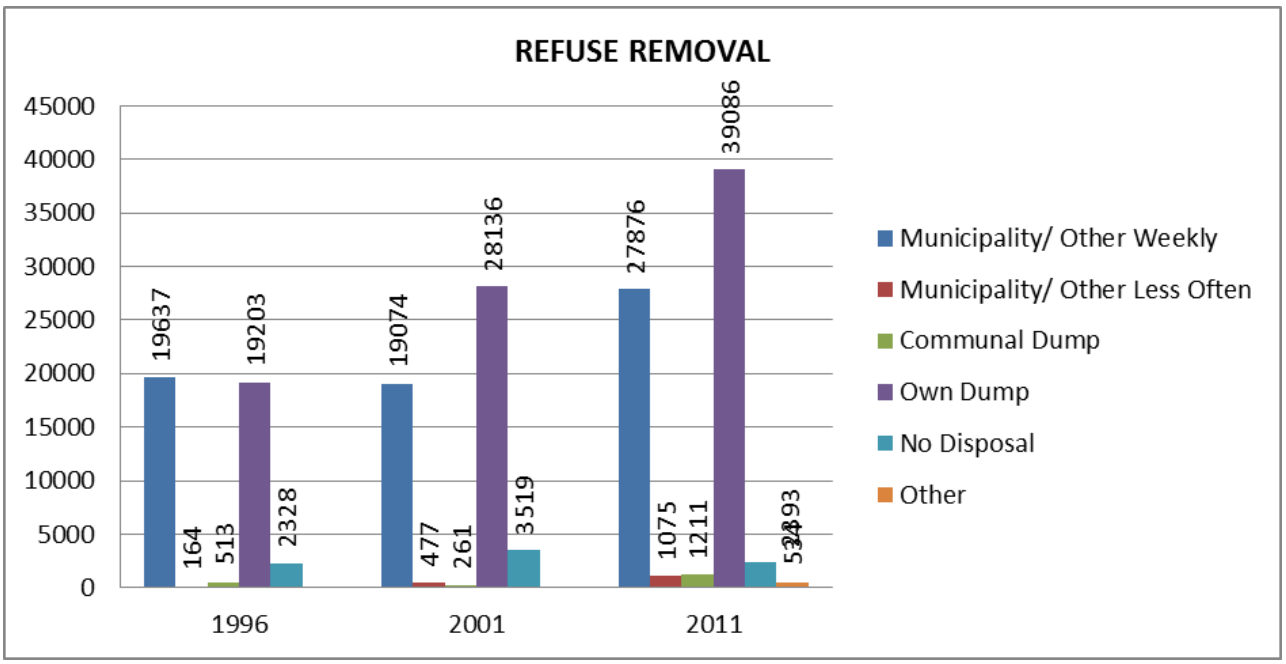
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- To provide effective waste collection services for the municipality
- To provide effective waste management services for the municipality
- Provide cost effective waste management services
- To create, implement & enforce the necessary legal regulatory & policy framework to support waste management service throughout HCM.

Access to refuse removal

Information obtained during Census 2011 indicates that many households have their own dumping sites in semi- rural and rural areas. This has had bad repercussions in terms of health is concerned. Usually these areas are open spaces and the dumping is not controlled and when heavy rains come, the refuse is washed into rivers resulting in diseases for those communities drinking the running water. The municipality has a waste removal unit which sees to it that the refuse is collected on weekly basis. The numbers of households which have no refuse removal at all have been increasing throughout the years. In 1996 only 2328 households had no access to refuse removal and the number increased to 3519 and then decreased again in 2011 to 2393. These figures basically suggest, there is still no improvement since 1996 and the Municipality has to ensure that this backlog is addressed. Currently there are programmes that are still underway aimed at addressing rural areas in terms of collecting refuse because currently there is none. The graph below shows the gradual increase of households from 1996 to 2011 using their own dumping sites. This is a great concern as these communities are vulnerable to diseases. Also shoing in the graph is the gradual increase of households serviced by the municipality. This suggests that in migration is not only from rural to urban, but population growth in rural areas as well.

Graph 20: Refuse removal



Stats SA 2011



1.6.3. Transportation Infrastructure

Most roads are in a deteriorating state both provincial and local roads, this can be contributed to the lifespan of the existing road networks and somehow can be contributed to the lack of regular maintenance of the road network. The high volume of heavy duty vehicles using the municipal road is one of the main contributors to the deteriorating condition of the road network. A local integrated transport plan needs to be developed so proper transport planning can be done, explore other means of transportation modes using the existing resources and meet the current and future demands. Over and above the transport plan there is a need to develop an infrastructural development and maintenance plan which will have clear strategies and timeframes on infrastructure maintenance, capacity, etc.

Some areas are hardly accessible due to potholes, manholes, and due to challenges posed by topography and poor roads related engineering. The Department of Transport made a detailed presentation on roads that need upgrading as well as those that need black top.

The municipality is looking at developing an Integrated Local Transport Plan, and Roads Maintenance Plan. The Roads maintenance plan has been developed and currently a consultant has been appointed who has since developed a plan for all the wards. Currently there are discussions with Engineers who are assisting in analyzing the status of current roads networks. The municipality further needs to develop storm water plan on a yearly basis and ensure that storm water issues are addressed urgently.

The Public Transport Plan should identify a public transport network that is spatially well connected by means of Intermodal Facilities located at strategic location (example, Port Shepstone) within the District. This type of plan within the municipality is meant to incorporate long and short distances. Currently the municipality does not have this plan but there is funding by the Department to the sum of R10 million.

Road linkages

The municipality has different types of routes and these include the Mobility route National road) which is the N2 and it cuts through the municipality, there is also the Coastal activity route (R61) which runs from Port Shepstone to Port Edward, there are Connector routes from the hinterland feeding to the provincial coastal road. Hibiscus Coast Municipality consists of two types of roads, namely gravel and tarred roads.

The municipality currently has a business plan for the upgrading of roads. The plan gives details around the number of roads that needs to be upgraded or constructed as well as the estimated cost. In terms of maintenance of existing roads, currently there is a routine and periodic maintenance plan which provides details of minimum outputs for all maintenance activities on the existing road infrastructure and frequency of maintenance as well as the periodic maintenance plan which identifies roads needing reseals and regravelling.

The coastal belt stretches for 87 km from Hibberdene to Port Edward and all economic activities take place around here. Rural areas are situated in the northern part stretching parallel the urban strip. Most roads run from the North direction to the South direction with the exception of the National Road (N2) which cuts through the municipality Easterly direction or visa vesa. The Provincial road, R102, runs from Hibberdene parallel the N2 until Port Shepstone where the N2 deviates and run in the North direction out of the municipality's jurisdiction

Arterial Roads

There are arterial roads within the municipality that feed the main roads and mostly are predominately surfaced (black-top). From Port Shepstone to Margate along the sea is the Marine Drive road and it also runs parallel the R61 which runs down to Port Edward. A number of arterial roads link the coast to the hinterlands as well. Three arterial roads join the R102 before Port Shepstone, and the rest join the R61 and Marine Drive after Port Shepstone respectively. There are no arterial roads that join the N2. Following is a summary of main arterial roads that link the hinterland and the coastal towns.

- The Station Road cuts through the hilly inland through Umzumbe, and join the R102 above the Umzumbe River
- The Rathman Drive road runs from hilly inland and joins the R102 at Ntwentweni.
- Stephen Road cuts through KwaMadlala and joins R102 just before Mayville.
- The Izotsha road runs from St Michaels through the Izotsha corridor up through KwaNdwalane and further inland
- P200 road offramps from the N2 at Marburg past Gamalakhe into South Broom. This road is also a link to a number of farms doted along that area.
- Louis Botha Avenue road off ramps from the R61 at Mpenjati through Kwa Nzimakwe tribal authority joining D869 further up.
- D 869 runs from Port Edward to Izingolweni



Roads along the Coast belt are in a good state as compared to those in the interior, however, the biggest challenge is potholes, but they are currently being addressed. The rail road is dysfunctional. Modes of transport consist of public mini taxis, which are very dominant and highly used by the public; there are also buses which ferry commuters from their residential areas which are predominantly in rural area to towns where many are employed. Another mode of transport is the small cabs which operate between towns and the urban edge areas.

Most roads are in a deteriorating state both provincial and local roads, this can be contributed to lifespan of the existing road networks and somehow can be contributed to the lack of regular maintenance of the road network and the original substandard designs of these roads especially access roads.

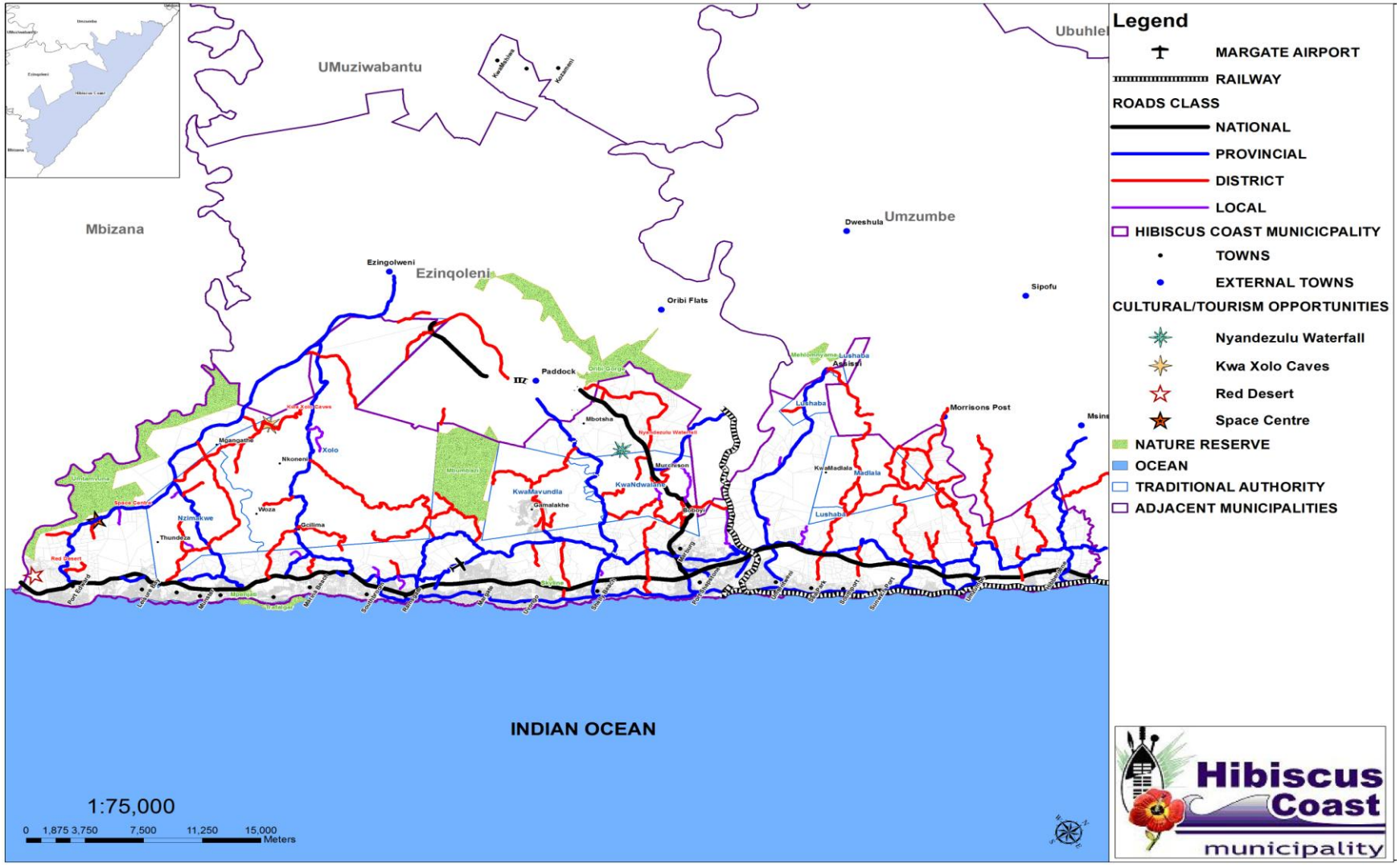
Hibiscus Coast municipality talks to the SPLUMA principle of efficiency. There is optimization of the existing infrastructure resources. Inland is a proposed activity route that will run parallel the N2 from inland Hibberdene, cuts across the hinterland and join the connector route from Port Edward to Ezinqoleni

Most roads in the interior are gravel and make 1200km.There are very few tarred roads there. The gravel roads are timeously maintained by being graded though it has proven very costly for the Municipality. It should be noted that the Lower South Coast is prone to flooding, so during the rainy seasons most low level bridges are washed away and big pot holes appear on the roads, and this is quite expensive to repair.

Tarred roads make 750km throughout the municipality, and most of tarred roads are found along the Coastal belt. New roads and bridges in rural areas need to be constructed and those that already exist need maintenance as most of them are in undesirable conditions and some are inaccessible during rainy days.

Following is a map showing the above road linkages.

Map 20: Road Linkages



1.6.4. Energy

1.6.4.1 Electricity

Eskom supplies electricity to most areas within the municipality except for the Port Shepstone area which is supplied by the Hibiscus Coast Municipality. Survey shows that 96% of the municipality's population has access to electricity. Some rural communities still require infrastructure connection and there is an infill backlog. The major challenge regarding electricity backlog is the capacity constraints from Eskom. Major substations are currently been upgraded to increase the supply capacity. New infrastructure development and extension put pressure on the existing infrastructure and supply capacity. Special consideration is required to accommodate new developments (housing and commercial).

The municipality shall undertake an infrastructure quality assessment and develop relevant sector plans to ensure sustainable electricity supply. The following are key infrastructure issues:

-Require infrastructure network upgrade
-In fills and high masts is a great challenge
-Areas with largest concentration backlog are St Faith and KwaXolo areas

Access to Electricity

Eskom supplies electricity to most areas within the municipality except for the Port Shepstone area which is supplied by the Hibiscus Coast Municipality. Census 2011 Report shows that 96% of the municipality's population has access to electricity. Some rural communities still require infrastructure connection and there is an infill backlog.

Since 1996 to date, the main source of energy for lighting is electricity and this form of energy has been increasing each year, in fact between 2001 and 2011 it increased drastically moving from 38944 households using this form of energy for lighting to 61801,a 37% improvement.

Candle usage increased between 1996 and 2001 but decreased again between 2001 and 2011. There were very few households using paraffin in 1996 but they have increased over the years reaching a number of 1788 in 2011, this could be attributed to many factors which might include the increase in the price of electricity thus households opting to use paraffin as a cheaper option as many are unemployed and also in the slums, the use of candles is high as there is no electricity connected.

Energy source

Table 39: Sources of energy

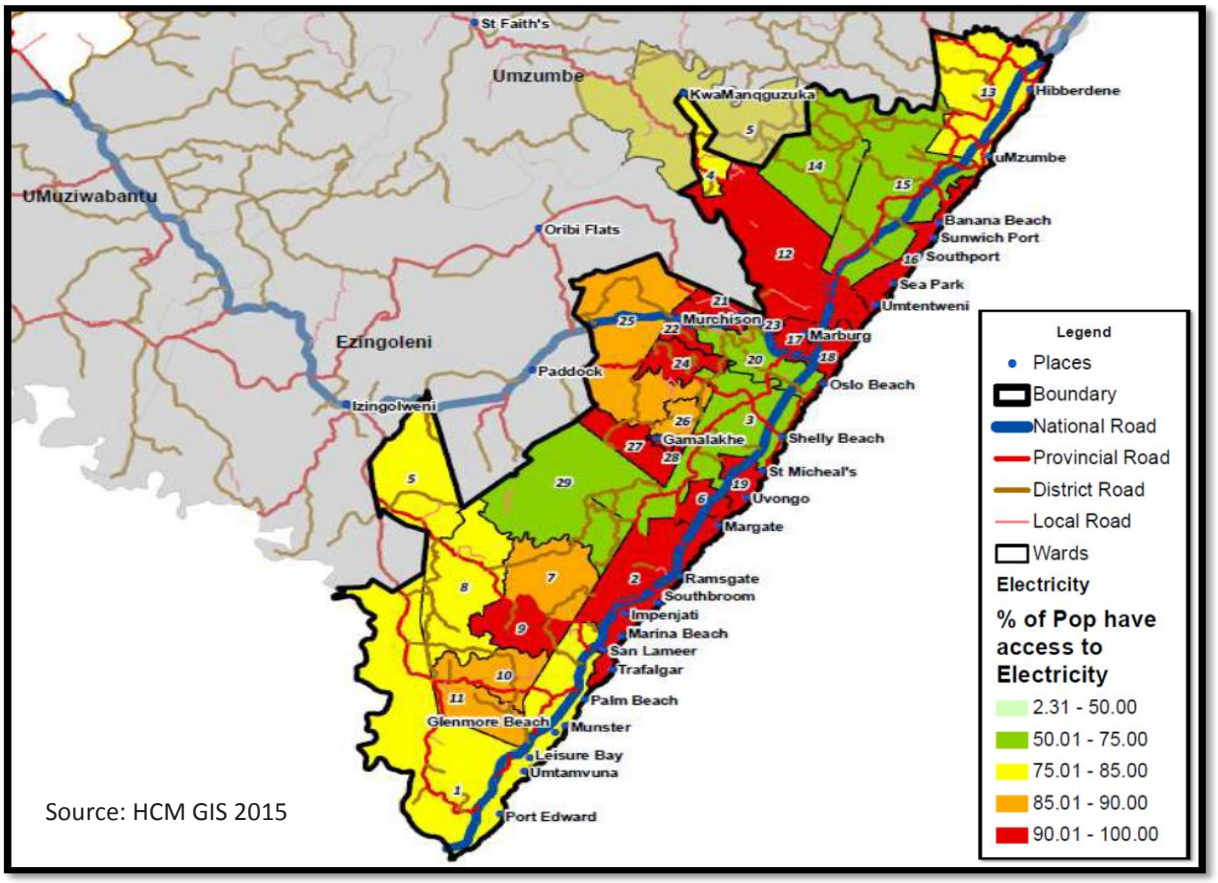
	Cooking	%	Heating	%
Electricity	55008	76..2	45041	62.4
Gas	2996	4.2	1264	1.8
Parrafin	7095	9.8	3335	4.6
Wood	6431	8.9	8457	11.7
Coal	117	0.2	315	0.4
Animal dung	41	0.1	190	0.3
Solar	171	0.2	299	0.4
other	182	0.3	15	0.0
None	135	0.2	13258	18.4
	72176	**100**	**72174**	**100**

Stats SA 2011

Below is a graph that enables one to see the gradual upgrading of the use of different energies. In 1996, 31690 households used electricity as their form of energy and there was a great increase to 61801 in 2011. It is noted that in as much as candles were used, there has been a relatively low number of households using them.

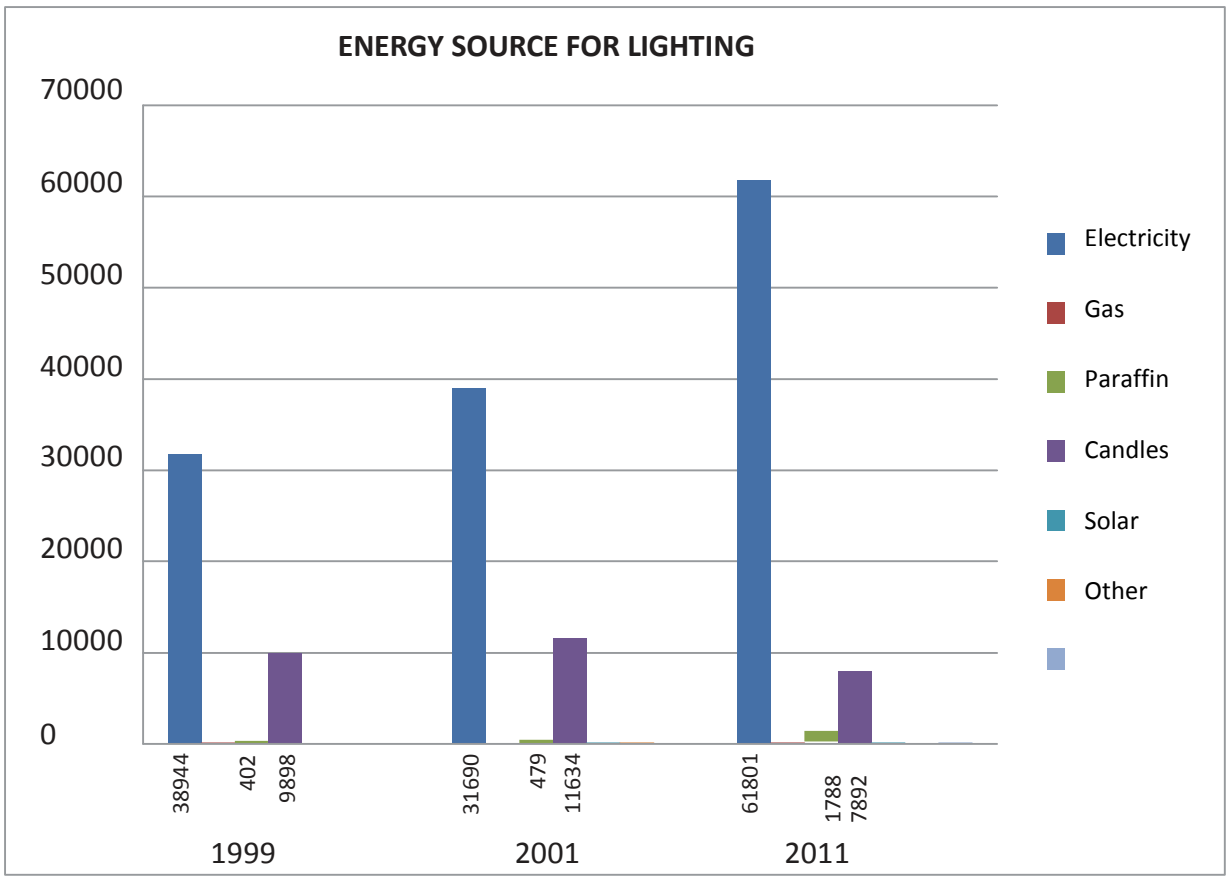
Following is a map indicating percentage population with access to electricity.

Map 21: Access to Electricity



Source: HCM GIS 2015

Graph 21: Sources of lighting



Stats SA Census 2011

The following table shows the stride the municipality has taken in terms of supplying electricity to households. These figures auger that in deed many households are with electricity while few have no access due to their locality in terms of spatial location.

Table 40: Electrification Status

Type	Status
Electrified h/h	49 481
Infill backlog	317

The table on the next page shows Eskom's MTEF in dealing with the electrification backlog:

Table 41: Eskom Planned Projects

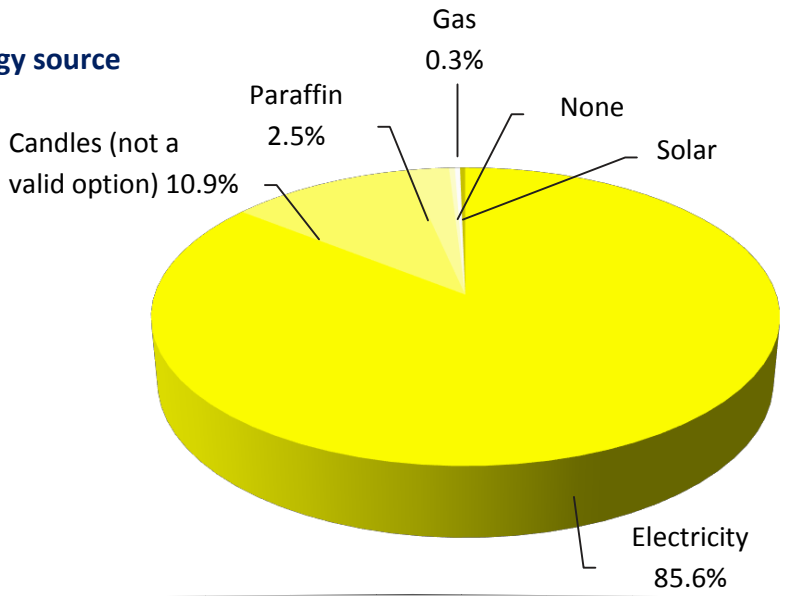
Name	Description	Year	Budget
Shelly SW/ST	Complete upgrade	2011 – 2013	R11 412
Manaba SW/ST	Complete upgrade	2011 – 2014	R 8 597 000
Marina SS	Increase 22 kV transformer capacity to	2011 – 2015	R19 142
Port Edward SS	Increase 11kA transformer capacity to	2011 – 2016	R9 935 000
Hibberden NB41	Upgrade	2011 – 2018	R590 000
Uvongo NB25	Split	2011 – 2020	R14 173
Marina NB78	Split	2011 – 2021	R3 297 000
Munster NB5	Cable upgrades	2011 – 2022	R5 713 000
Munster NB7	Cable upgrades	2011 – 2023	R14 668
Port Edward	Upgrade	2011 – 2024	R2 606 000

Energy source for both cooking and heating

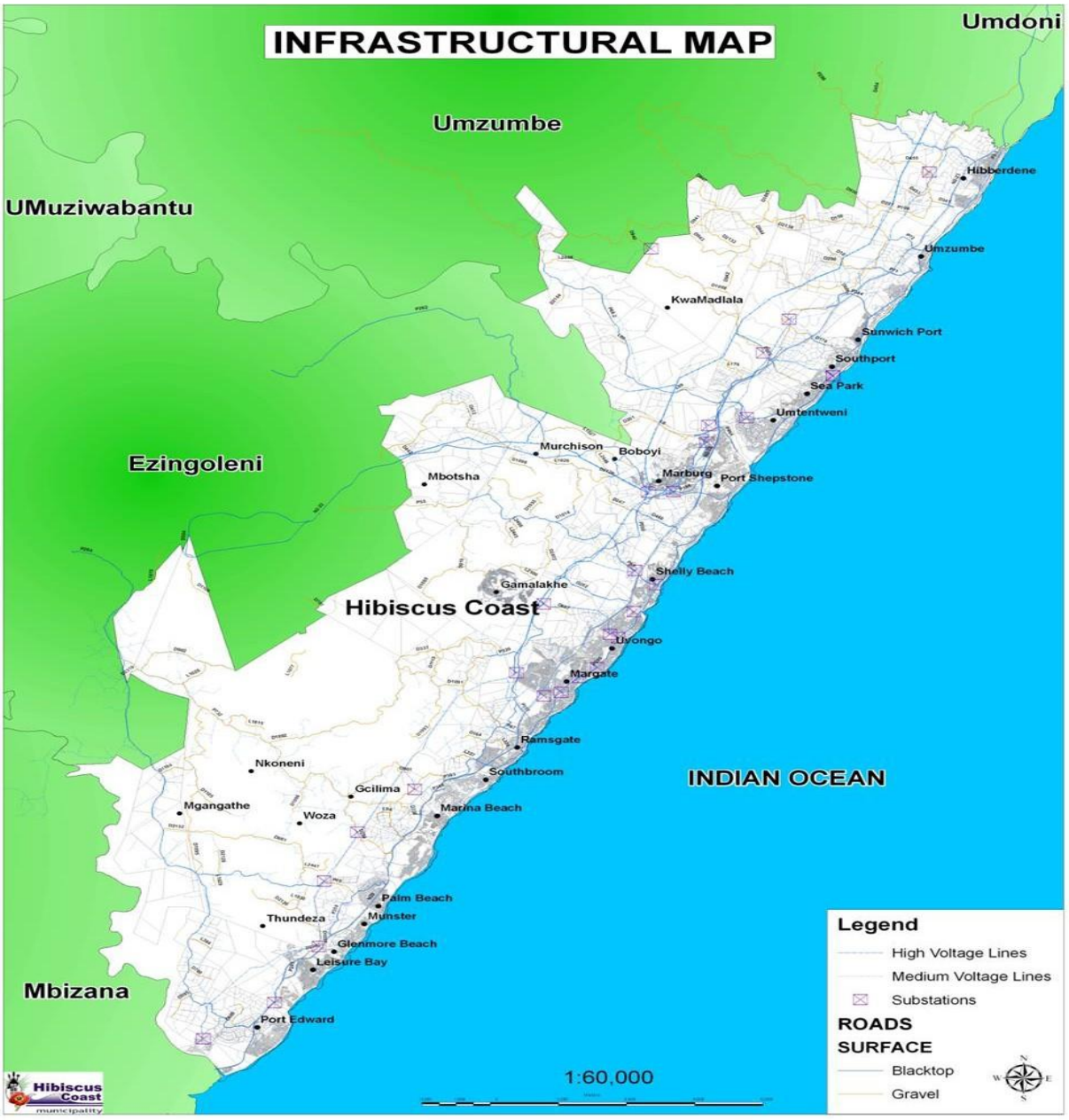
A majority of the households use electricity as the source of energy for heating, and there is also a huge number which do not rely on any source for heating which may be due to lack of affordability or do not see the need.

The pie Chart below shows that a very large percentage of the population has access to electricity as their main source of power as compared to the other methods which includes solar, gas and paraffin. This is a clear indication that both Eskom as a supplier and the Municipality has done exceptionally well in providing for the communities.

Graph 22: Energy source



Map 22: Electrification Infrastructural Map



HCM GIS 2014

The map above shows the electrification infrastructure project with Hibiscus Coast Municipality. There are high voltage line as well low voltage lines running in different parts of the municipality. Sub stations are doted throughout the municipality and this is an indication that electricity is accessed by many communities even in deep rural areas. Communities without electricity are mainly those in private land and these are not entities of the municipality.

Table 42: Electricity Project Implementation Plan for Ugu District

Source: Ugu District Municipality IDP Representative Forum, 2012/13

STAKE-HOLDER	KPA	PROJECT / PROGRAMMES	TARGET	BUDGET	TIME FRAME					GEOGRAPHICAL AREA
					2012/13	2013/14	2014/15	2015/16	2016/17	
ESKOM	BASIC SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT	KwaRwayi Electrification	442	R7,253,042.09	R7,253,042.09	0	0	0	0	Vulamehlo
		Mathongwana Electrification	400	R5,000,000.00	R5,000,000.00	0	0	0	0	Vulamehlo
		Mehlomnyama Electrification	250	R3,201,639.17	R3,201,639.17	0	0	0	0	Umzumbe
		Siphofu Electrification	516	R8,374,752.79	R8,374,752.79	0	0	0	0	Umzumbe
		Xolo Infills	50	R350,000.00	R350,000.00	0	0	0	0	Hibiscus Coast
		Gcilima Infills	122	R854,000.00	R854,000.00	0	0	0	0	Hibiscus Coast
		Amandawe Infills	110	R770,000.00	R770,000.00	0	0	0	0	Umdoni
		Amahlongwa Infills	50	R350,000.00	R350,000.00	0	0	0	0	Umdoni
		KwaCele Infills	156	R1,092,000.00	R1,092,000.00	0	0	0	0	Umdoni
ESKOM	BASIC SERVICE DELIVERY DEVELOPMENT	Qoloqolo Infills	72	R727,000.00	R727,000.00	0	0	0	0	Umzumbe
		Mfazazana Infills	150	R1,507,000.00	R1,507,000.00	0	0	0	0	Umzumbe
		Gobhamehlo Electrification	566	R10,245,699.77	R10,245,699.77	0	0	0	0	Umzumbe
UMGENI WATER		South Coast Augmentation Booster Pump Station	New in-line booster pump station (capacity = 120Ml/ day)	R86,680,000	Construction (R10,148,000)	Commissioning (R6,676,000)	0	0	0	eThekwini Municipality

1.6.4.2 Alternative energy

The municipality should further try new innovations as means of alternative energy source. Some of the options could include solar power, wind generation, bio-mass and wave generation. The municipality is in a process of procuring a service provider who will provide Bio ethanol gel, stoves, lamps to the communities that do not have access to electricity as yet over a three periods.

There are 4 701 beneficiaries out of 23 wards who are recipients of gel on a monthly basis as a form of alternative energy. For the current financial year Hibiscus Coast Municipality set aside R3 600 000 for alternative energy (gel stoves and lamps). The municipality is investigating the sustainability of utilizing the solar system in areas that still do not have electricity. The municipality has recommended that a mechanism should be put in place whereby residents could go to any office and claim or inquire about the free basic electricity. However some areas indicated that they do not receive gel frequently.

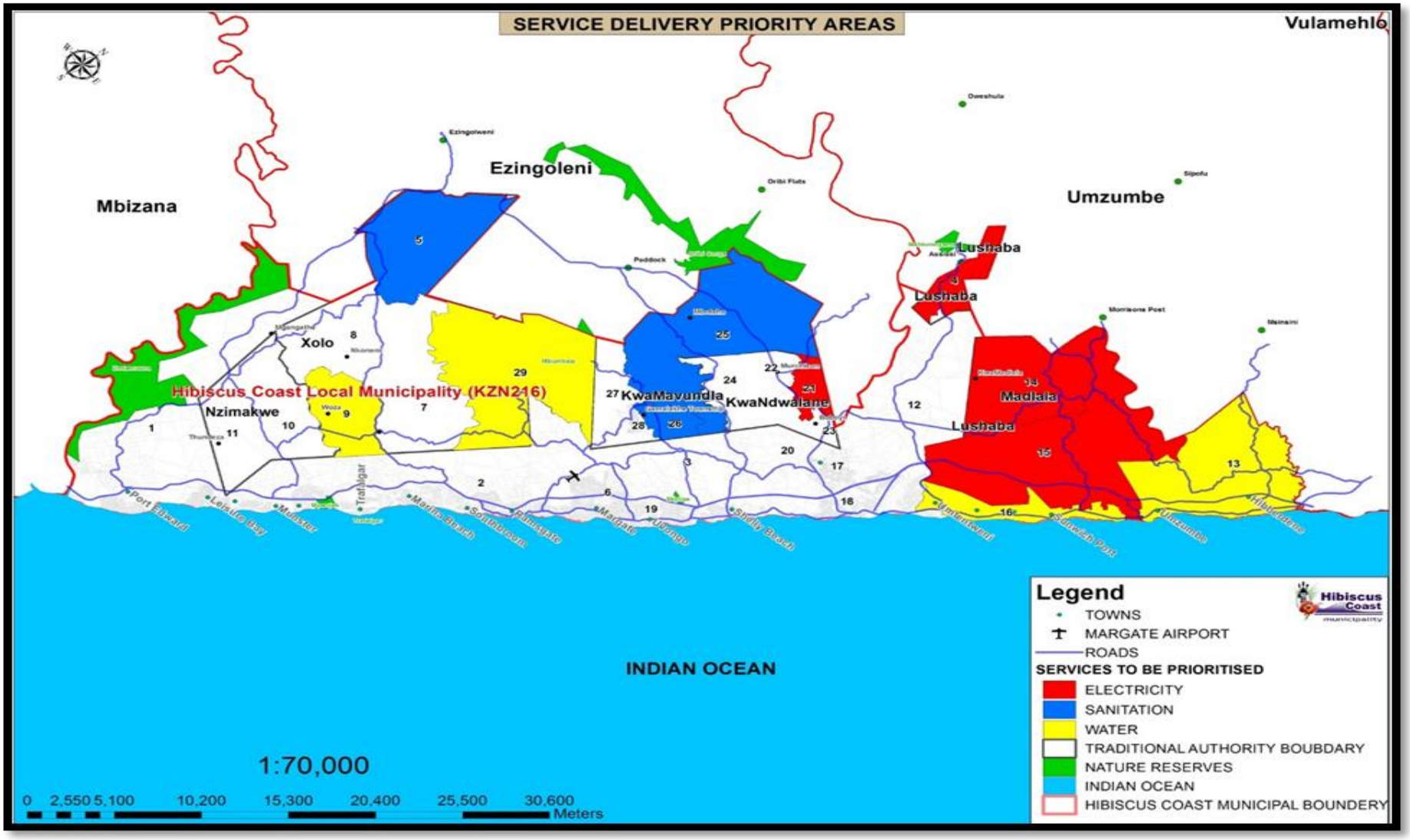
It is important for ESKOM to ensure that the energy capacity available within the municipality is utilize optimally to eliminate the electricity household, school and government institutions backlog.

1.6.4.3 Service delivery priority areas

A number of factors amongst which steep topography, insufficient funds as well as sparsely populated households have contributed to service backlogs in some parts of the municipality's hinterland. These backlog services include sanitation, water and electricity**.** A large part inland of the Eastern side of the municipality has huge electricity and water backlogs whereas the central hinterland of the municipality is faced with sanitation backlogs and few areas without piped water.

The map on the following page summarizes this information.

Map 23: Service Delivery Priority Areas





1.6.5. Human settlements

Currently the Human Settlement Section within the Directorate of Human Settlement and Infrastructure has the following capacity (Senior Manager, two technical officers, Policy Practitioner, Community Developer Officer, subsidy Administration, Admin Assistant and Front desk Clerk. The directorate is responsible for all housing projects and has to regularly liaise with the implementing agents, project managers and relevant government departments. The directorates further inspect and monitor progress and compile reports to Council. The department works closely with the Provincial Department of Human Settlements and other stakeholders, eliciting their assistance and mostly in insuring quality control, the department works closely with the National.

In terms of human settlements, the distorted spatial structure of the Municipality separates the people in the traditional areas from the opportunities at the coast. From a planning perspective the intention is to eliminate the separation of uses with the focus to ensure people have access to basic services which are close and more direct relationship with the economic and recreational areas at the coast.

The development of symbolic relationship between the coastal areas and the hinterland will result in the urbanisation and formalisation of the existing traditional and rural settlements. The formalisation of existing settlements will allow for the establishment of urban towns and villages within the hinterland.

At a National level, the view is that spatial planning of settlements should be reviewed with the intention that future settlement development should be that of Integrated Sustainable Human Settlement Development encompassing all levels of income as per policy.

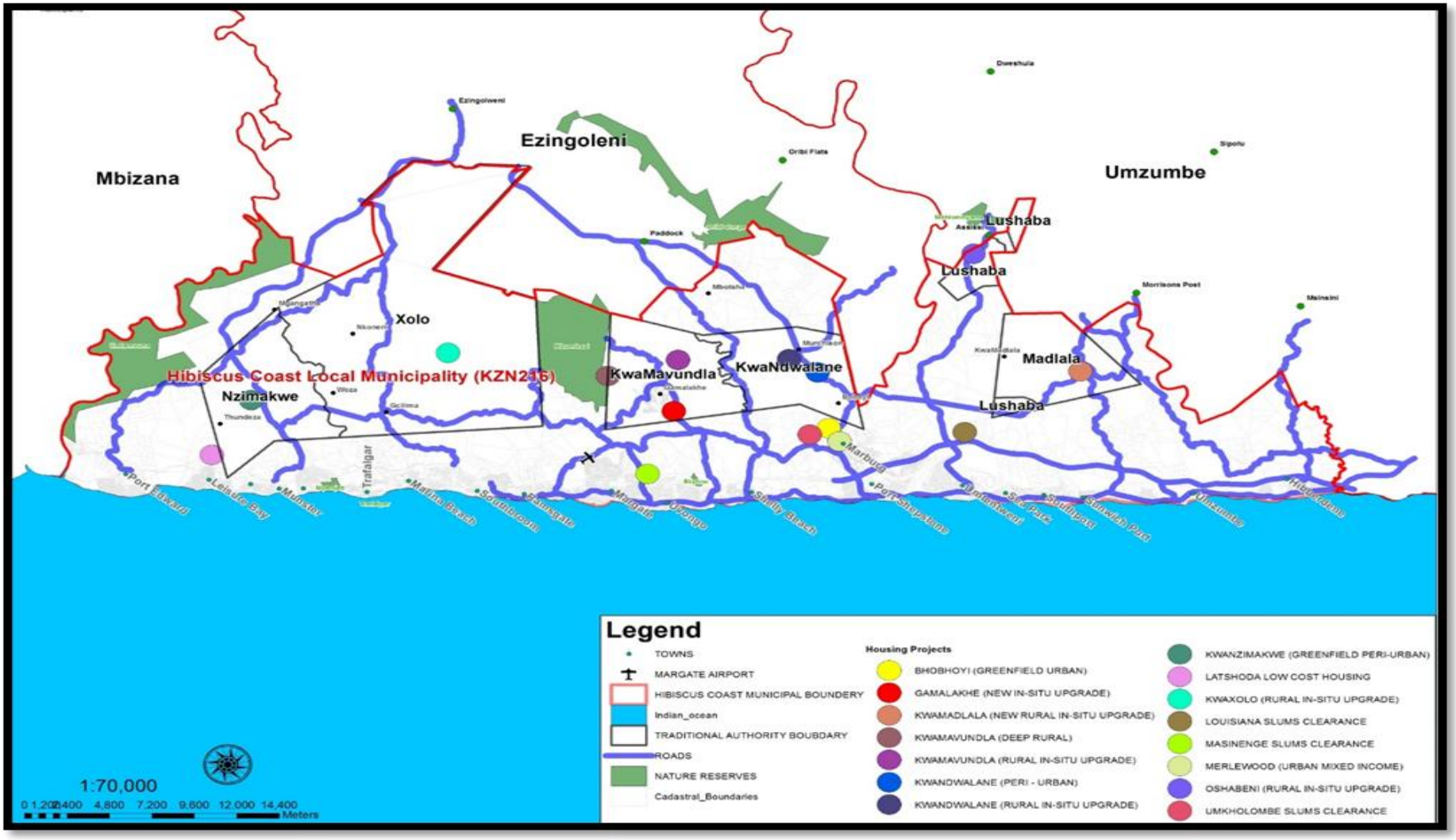
With reference to the previously approved Housing Sector Plan, the housing need within the Municipality is approximately 34 916. To date 17 housing projects are being implemented with are at various stages of implementation. (Planning, construction and transfer), which will yield approximately 14 550 housing opportunities. National Building Regulations are being implemented in respect of energy savings for power supply to housing developments in terms of planning layout, configuration of designs and placement of top structures.

Schedule of housing projects

Table 43: Housing Projects

PROGRAMME	PROJECT	NUMBER OF UNITS	STATUS
Slum clearance programme	Masinenge Slums Clearance	882	Construction
	Louisiana Slums Clearance	697	Construction completion- Opening of Township Register underway (564)
	Mkholombe Slums Clearance	1000	On Planning
Greenfield	Lot 7 Albersville	40	On Planning
	Bhobhoyi Phase 1	711	Construction completed Transfers (697)
	Bhobhoyi Phase 2	1098	On Planning
	Merlewood	235-Low cost 177-Middle income	Construction (delayed)
	KwaNzimakwe	1813	Construction completed - Opening of Township Register underway
Rural housing programme	Oshabeni	1000	On Planning
	KwaMadlala	1000	On Planning
	KwaMavundla Additional 100	100	On Planning
	Gamalakhe Insitu Upgrade	2000	On Planning
	KwaNzimakwe	1000	On Planning
	KwaXolo ward 5,8 & 29	1000	On Planning
	KwaNdwalane Deep Rural	1000	Current/ Construction
	KwaNdwalane Peri-urban	1000	On Planning
Housing Rectification (pre1994)	Melerwood, Marburg; Palmview & Gamalakhe	Based on the need/ assessment results	On Planning
Housing Rectification (post 1994)	Gamalakhe Tin- Town	Based on the need/ assessment results	On Planning

Map 24: Housing Projects



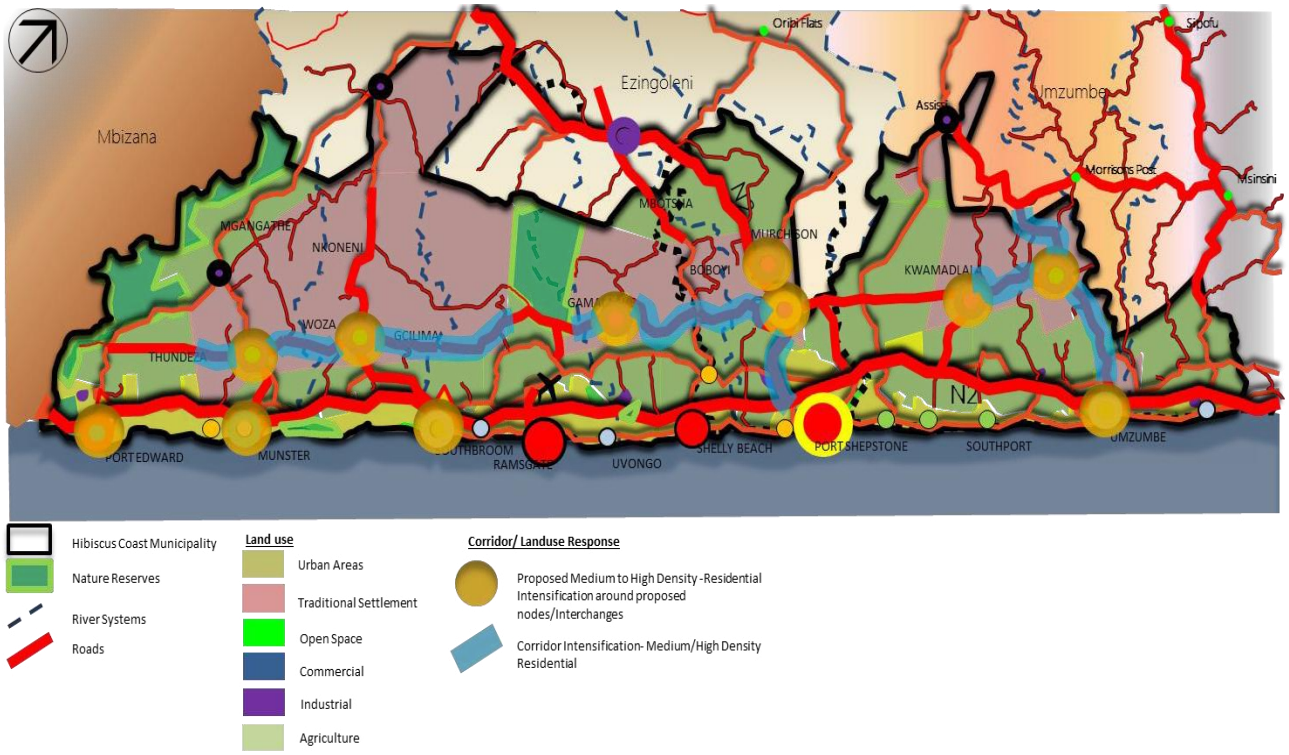
The municipality cannot over emphasise the dire need for community rental units in the urban areas. No community rental units have been built in the past 15 years. The municipality has identified land for the rental stock and feasibility study still need to be conducted and the funding application will be sourced from the Department of Human Settlements Kwa Zulu Natal.

Middle income housing is one sector that has not been catered for and that has led to the municipality approve the Merle wood mixed housing project which will allow for 235 low income housing and 177 middle income housing.

The implementation of the June 2008 flood victims housing in rural areas has been a success since out of the 402 houses, 305 have been built. The contractor was appointed by the KZN Department of Human Settlements in the aftermath of the June 2008 floods. However, it should be noted that there have been delays in building these houses because of non-performing contractors, thus it took a very long time into almost finishing the project. It has been evident that during February and June of every year the coast is hit by flood disaster and the Hibiscus Coast Municipality has decided to set aside funding for flood disaster housing. The following map outlines the activities within the municipality.

The map below shows the housing projects as listed above.

Illustration 2: Housing Projects



In aligning with National and Provincial policy / planning, the Municipality is currently reviewing and updating its Human Settlement Sector Plan, 2015-2020. The focus is have the Human Sector Plan approved by Council and become a chapter of the 2015/2016 Integrated Municipal Development Plan.

The Municipality has been mainly focusing on the rural and slum clearance housing programme, pre/post 1994 housing rectification and minimal on Greenfield housing development. The future focus is to have a more integrated sustainable human settlement plan whereby present and future inhabitants located both in urban and rural areas will live in safe and secure environment with adequate access to economic opportunities, a mix of safe and secure housing and tenure types, reliable and affordable basic services, educational, entertainment and cultural activities, health, welfare and police service. The plan is to increase the focus on National Integrated Residential Development Programme which is to become the main driver for housing delivery.

The acquisition and utilisation of land which are well-planned are to ensure the development of compact mixed land use, diverse, life enhancing environment an efficient public transport mode. In the 2013/2014 and 2014/2015 financial year the Department of Human Settlement and Infrastructure has identified various land parcels within the Municipal area for acquisition to plan and undertake integrated residential Development . This will cater for mixed housing development with variety of tenure options catering for all related income band, including informal settlements that cannot be upgraded (relocation) as per the National Policy for Integrated Residential Development.

Following the Implementation of the Integrated Residential Development Programme, the Municipality has been selected by Provincial Department of Human Settlement with support from the National Department of Human Settlements to be a pilot for the implementation of the National Housing Needs Register. The Housing Needs Register will play a critical role in the identifying of housing needs within the income groups of (R0 to R15000) for consideration of housing opportunities in terms of the Housing Residential Housing Programme. National and Provincial technical support is being received on systems, communication and implementation strategy leading to the role out programme.

INTEGRATED RESIDENTIAL DEVELOPMENT PROGAMME - LAND PARCELS IDENTIFIED (Subject to a process of approval, funding and acquisition)

Table 44: Housing Project: integrated residential development programme

PROPERTY DESCRIPTION	PROPOSED DEVELOPMENT
Portion 15 (of 7), Portion 16 (of 7) and Remainder of 7 of the Farm Success No. 7108 – (Twin Stream Estate Pty (Ltd.)	The property measures 25.22 hectares. The property can yield 281 residential sites, 1 multi-use retail (commercial site), 7 public open spaces, 1 crèche, 1 worship site, 1 parking site and 11 public roads.
Portion 8 (of 4) of the Farm Louisiana No. 3239, Portion 46 (of 7) of the farm Louisiana No. 3239 and Portion 34 of the Farm Sanderstead No. 15566 – (Mr NV Chetty)	The property measures 88.35 hectares. The property can yield 557 residential sites, 1 worship site, 1 education site, 1 creche, 1 commercial site, 5 public open spaces and 7 conservation sites.
Erf 2554 Marburg and Rem 1627 – (Ugu District Municipality)	There is no approved layout plans
Portion 1 of Lot 7 Marburg Settlement 5344 - (Mr Frik Pieterse) Lot 5 Marburg Settlement No. 5214 – (Mr MM Gumede)	The property yields 164 sites which have been serviced The property measures 40.46 hectares
Consolidated Lot 1561 Shelly Beach. – (Mr Tony Kay). The property is located 6 km from the town of Port Shepstone towards Shelly Beach, 500m from Esayidi FET College's Oslo Beach Campus; it is next to South Coast Mall, 2km from Shelly Beach Industrial Area, and 400m from the proposed High-tech College. The property is basically situated right in the heart of Shelly Beach area.	The property measures 88 hectares. - The ROD and DFA are both in place and the Township is Registered - The property can yield 335 residential sites plus 200 to 300 flats. But by rezoning two of the four phases to General Residential 3, you can reduce the number of sites to 180 but build an extra 678 flats to create a mixed use development e.g. Conubia in the North Coast of KwaZulu Natal Province -There is no commercial site on the property, 5 private open spaces, 1 proposed crèche, 1 proposed place of worship, and 5 private roads - The property is serviced with Roads & Storm water , Water, Electricity & Sewer - Development can start immediately - The Development will create about a 1000 jobs during construction and 3000 permanent jobs post construction.

Parry's Anthuriums CC T/A Oribi Nursery(Erf 21 portion 1, Margate (1.4758 hectares) Remainder of Erf 21, Margate (4407 meter square) Rmainder of Erf 2709, Margate(1384 meter square)	-Land required for extension of the Masinenge slums clearance housing project. Currently Raw land with no infrastructure services. -Need to undertake feasibility assessment, land valuation, land acquisition, bulk infrastructure provision, rezoning and planning
Mr M Chinnasami- The farm Marburg settlement No. 5213 (20 2343 hectares)	-Raw land with no infrastructure services -Need to undertake feasibility assessment, land valuation, land acquisition, bulk infrastructure provision, rezoning and planning(If land is suitable for human settlement development)
SG & HA Moodley –Remainder of Erf 2177, Marburg (15198 hectares)	- Raw land with no infrastructure services -Need to undertake feasibility assessment, land valuation, land acquisition, bulk infrastructure provision, rezoning and planning(If land is suitable for human settlement development)

To assist with planning and fast tracking housing delivery, the Municipality has been accredited with the Level 1 housing accreditation function with regard to housing subsidy planning and allocation, including subsidy allocation process and programme management. Operational funding is being received from Provincial Department of Human Settlements to address capacity enhancements.

In the 2015/2016 financial year the intention is to move towards level 2 housing function to undertake programme management, and administration in housing technical implementation.

Perceived challenges are as follows:

Land acquisition- Complex process and time delays in land acquisition, with regard to funding, planning and transfer, can lead to fasting the housing delivery programme.

Bulk Infrastructure - Availability of bulk infrastructure being mainly water and sanitation can impact on the implementing the new Integrated Residential Development programme which will require major Municipal Infrastructure Grant funding for, upgrading and new works, unable to meet the housing needs backlogs.

Turnaround time- delays at Provincial level to approve projects, funding and conclusion of agreements which delay project implementation

Service Providers- slow progress or failure to deliver by housing project service providers leading to termination and not meeting the desired housing targets.

Household Community Assets

Access to housing

Census 2011 indicates that there is more formal housing (51 729) within the municipality as compared to informal housing which is 1282. It must be further noted that more houses had been built in the current year, and this means that the number of formal housing has definitely increased. Many houses are made of bricks. There are, however, houses made of traditional material in some parts of the municipality. The Municipality has three informal settlements doted around the main towns, namely KwaMaisnenge, Mkhoombe and Masinenge.

The table below shows formal dwellings between 2001 and 2011. There was an increase in this type of dwelling.

Table 45: Formal Dwellings

Formal Dwellings %		% Housing owned/paying off	
2001	**2011**	**2001**	**2011**
77.4	83.3	65.5	59.0

1.6.6 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

Strengths	Weaknesses
• The municipal area is generally covered with well-developed bulk infrastructure and networks • Relative high levels of service provision with relatively low backlogs to RDP standards. • Partnering with Government in enhancing EPWP and CWP • The implementation of the IWMP	• Staff and skills shortages in key positions. • Overstretched technical services / PMU • An ageing fleet of vehicles • An ageing infrastructure • Absence of a multi-wide building maintenance plan in line with the asset register • No transport plan and roads maintenance plan • Backlog is electricity provision in some areas (peripheries).
Opportunities	**Threats**
• The existence of a number of sector plans. • Ensuring the release of public land for low and affordable housing. • Reviving the Airport through LED projects. • Proximity to the N2 corridor. • Rail way line linking Port Shepstone and Durban. • Vast undeveloped land in urban corridor as well as rural hinterland	• The need to reduce electricity revenue losses due to technical losses, illegal connections, tampering leading to unbilled usage. • Backlog in accessibility to roads by the general public in the rural areas of the municipality. • Storm water backlog caused by densities not considered original infrastructure layout • Most roads are in a deteriorating state, provincial and local • Illegal waste dumping

1.6.7 Key Findings

Key challenges	Description
1.Backlogs	-In terms of housing delivery, there is a backlog. This is attributed to many challenges. -There is a backlog in accessibility of roads and electricity in rural areas
2.Ageing infrastructure	Most roads are in a deteriorating state and potholes are also an enemy.
3.Backlogs in solid waste	Waste management in essence compromises of 3 components and lack of all these is clearly evident in rural areas. Some areas are not serviced due to topography which is quite steep and very expensive to operate at.
4. Waste management	In rural areas there are no designated areas for dumping. In most instances, families dump on open velds and this is highly hazardous. In urban areas there is also visibility of waste and this could lead to investment opportunities being lost and tourism is widely affected.

1.7 Municipal Financial Viability and Management Analysis

Municipalities need to ensure sound financial management and accounting, and prudently manage resources so as to be sustainably. The application of sound financial management principles for the compilation of the Hibiscus Coast Municipality's Draft Budget is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Hibiscus Coast Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process as suggested in chapter 5 of the planning guidelines. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on non-core and 'nice to have' items.

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people led government.
The main development challenges impacting on the financial viability and MTREF of the municipality can be summarized as follows:

- The on-going difficulties in the national and local economy;
- Aging and poorly maintained roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost and electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continues to exceed consumer inflation, as well as the need to fill critical vacancies;

The following table is a consolidated of the proposed 2015—2016-2016 medium term Revenue and expenditure Framework.

Table 46: Consolidated Overview of the 2014/15 MTREF

Description	Adjustment Budget 2014/15	Budget Year 2015/16	Budget Year 2016/17	Budget Year 2017/18
Total Operating Revenue	742 095 000	754 860 000	800 689 000	848 893 000
Total Operating Expenditure	742 095 000	754 860 000	800 689 000	848 893 000
Surplus (deficit) for the year	-	-	-	-
Capital Expenditure	**190 471 000**	**163 336 260**	**160 489 526**	**112 707 891**

Total operating revenue has grown by 1.72 per cent (R2.7 million) for the 2015/16 financial year when compared to the 2014/15 Adjustments Budget of R742 million. For the two outer years, operational revenue will increase by 5.7 per cent

Total operating expenditure for the 2015/16 financial year has been appropriated at R755 million and when compared to the 2014/15 Adjustments Budget, operational expenditure has grown by 1.72 per cent in the 2014/15 budget and by 5.6 for the respective outer years of the MTREF.

The capital budget of R109 million has grown by 32.8 per cent or R53 million for 2015/16 when compared to the 2014/15 Adjustment Budget. A substantial portion of the capital budget will be funded from government grants over the MTREF and the balance will be funded from internally generated funds.

1.7.1 Revenue Enhancement Strategy

For Hibiscus Coast Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 100 per cent annual collection rate for property rates and other key service charges;

- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- The municipality's Property rates policy approved in terms of the Municipal property rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent policy and rendering of free basic services.

The following table is a summary of the 2015-18 MTREF (classified by main revenue source):

Table 47 : MTREF Summary of revenue classified by main revenue source

KZN216 Hibiscus Coast - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16Medium Term Revenue & Expenditure		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue By Source									
Property rates	220,524	241,359	263,953	340,524	343,147	343,147	366,908	388,922	412,258
Property rates - penalties & collection charges	117	108	379	7,443	7,443	7,443	–	–	–
Service charges - electricity revenue	66,129	81,126	88,494	99,439	100,007	100,007	114,270	121,126	128,394
Service charges - refuse revenue	31,071	33,311	33,497	58,886	58,886	58,886	57,082	60,507	64,137
Rental of facilities and equipment	2,325	2,308	1,778	3,305	3,668	3,668	3,995	4,274	4,574
Interest earned - external investments	9,632	8,266	6,718	10,171	5,525	5,525	5,525	5,856	6,207
Interest earned - outstanding debtors	7,068	6,610	8,986	10,057	9,488	9,488	10,761	11,406	12,091
Fines	1,419	1,265	3,662	8,474	8,474	8,474	6,396	6,844	7,323
Licences and permits	5,841	5,444	5,965	6,624	6,624	6,624	11,684	12,502	13,377
Agency services	3,214	3,734	3,920	4,558	4,558	4,558	32	34	36
Transfers recognised - operational	150,091	166,903	126,460	123,054	125,416	125,416	129,064	136,808	145,016
Other revenue	9,432	40,129	18,541	32,493	68,859	68,859	49,144	52,340	55,480
Gains on disposal of PPE	8,728	–	–	–	–	–	–	–	–
Total Revenue	**515,591**	**590,562**	**562,354**	**705,028**	**742,095**	**742,095**	**754,860**	**800,619**	**848,893**

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates, services charges and transfers from grants forms a significant percentage of the revenue basket for the municipality. Rates, service charge revenues and grants operational comprise more than two thirds of the total revenue mix.

In the 2015/16 financial year, revenue from rates, services charges and grants operational totaled R667 million or 88 per cent. This growth can be mainly attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity.

Property rates are the first largest revenue source totaling 46 per cent or R343 million rand and increases to R388 million by 2015/16.The second and third largest sources is revenue from grants operational and electricity totaling 17 per cent or R129 million and 15 per cent or R114 million respectively.

Other revenue' which consists of various items such as income received from permits and licenses, building plan fees, connection fees, transport fees and advertisement fees. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Operating grants and transfers totals R125 million in the 2014/15 financial year and steadily increases to R129 million by 2015/16. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 48: Operating Transfers and Grant Receipts

Operating Transfer and Grant Receipts					
Description	Budget Year 2015/16				
R thousands	Original Budget 2014/15	Adjusted Budget 2014/15	Budget Year 2015/16	Budget Year 2016/17	Budget Year 2017/18
RECEIPTS:					
Operating Transfers and Grants					
National Government:	**105,940**	**105,940**	**128,495**	**74,070**	**52,970**
Local Equitable Share	103,406	103,406	125,965	71,536	51,703
Finance Management Grant	1,600	1,600	1,600	1,600	800
Municipal Systems Improvements Grant	934	934	930	934	467
Provincial Government:	**24,533**	**26,777**	**22,144**	**24,286**	**13,388**
Expanded Public Works Porgramme	1,084	1,084	1,000	1,060	542
COGTA Demarcation			1,957	2,074	
KZN Transport	15,000	10,000	10,000	10,000	5,000
KZN COGTA	500	7,744	1,000	5,000	3,872
KZN Arts and Culture(Libraries n Museums)	7,949	7,949	8,187	6,152	3,975
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**130,473**	**132,717**	**150,639**	**98,356**	**66,358**

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6% upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of Eskom bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the municipality

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement etc.

The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions.

1.7.2 Property Rates

National Treasury's MFMA Circular No. 58 and 59 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R85 000 and R50 000 reduction on the market value of a property for residential and vacant land categories respectively ,will be granted in terms of the municipality's own Property Rates Policy;
- 100 per cent rebate will be granted to registered indigents and child headed household in terms Of the Indigent Policy;
- For pensioners, physically and mentally disabled persons whose household income equal 2 state pensions, 4 state pensions and 6 state pensions will receive a rebate of 75%, 50% and 25 % respectively in terms of Rates policy.
- Indigents, in terms of the indigent policy are exempt from paying rates if the value of the property is less than R320 000.00.

The categories of rate-able properties for purposes of levying rates the proposed rates increase for the 2015/16 financial year is 7 per cent.

Table 49: Proposed rates increase for the 2015/16 financial year

No	Description	Current Tariffs	Proposed Tariffs	Increase
		(Cents)	(Cents)	%
1	Residential	0.008670	0.009277	7
2	Commercial	0.017339	0.018553	7
3	Industrial	0.017339	0.018553	7
4	Mining	0.017339	0.018553	7
5	Agricultural - Bona Fide	0.000867	0.000927	7
6	Agricultural - Mixed Use	0.002168	0.002320	7
7	Institutional	0.004334	0.004637	7
8	Special Purposes	0.004334	0.004637	7
9	PSI	0.002168	0.002320	7
10	Municipal - not rated - no billing			7
11	Vacant Land	0.017339	0.018553	7
12	ST-Garages/Storerooms	0.008670	0.009277	7
13	Communal Land	0.000867	0.000927	7
14	Guest Houses/Lodges	0.013055	0.013969	7

Sale of Electricity and Impact of Tariff Increases:

Considering the Eskom increases, the consumer tariff had to be increased by 7.39 per cent to offset the additional bulk purchase cost from 1 July 2015. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Table 50: Proposed electricity tariffs increase

ELECTRICITY				
	2013/2014	2014/2015	2015/2016	
Description	Current Tariffs	Proposed Tariffs(VAT Excl)	Proposed Tariffs(VAT Excl)	Change
	Cents	Cents		%
KWH Per Unit 0-50	0.7000	0.7400	0.7900	6.30
KWH Per Unit 51-350	0.8700	0.9300	1.0000	7.30
KWH Per Unit 351-600	1.0693	1.1500	1.3400	
KWH Per Unit 600 and more	1.1880	1.2800	1.6000	
Basic Charge	142.00	152.50	171.11	12.20
Business 25-50 amps - KWH		0.9568	1.0735	12.20
Basic Charge per amp		8.92	10.01	12.20
Business/Domestic 51-150 amps - KWH		0.9568	1.0735	12.20
Basic Charge per amp		12.62	14.16	12.20
Business/Industrial over 150 amps - KWH		0.8165	0.9161	12.20
Basic Charge per amp		19.24	21.59	12.20
Service charge exceeding 100kva	272.17	292.28	327.94	12.20
Maximum demand charge	46.20	49.61	55.66	12.20
Charge per kW(High):Peak	1.3731	1.4746	1.6545	12.20
Standard	0.5761	0.6187	0.6942	12.20
Off peak	0.3297	0.3541	0.3973	12.20
Charge per kW(Low):Peak	0.9238	0.9921	1.1131	12.20
Standard	0.5167	0.5549	0.6226	12.20
Off peak	0.2966	0.3185	0.3574	12.20
Excess reactive energy	0.1095	0.1176	0.1319	12.20
	NB - AMOUNTS EXCLUDE VAT			

1.7.3 Waste Removal and Impact of Tariff Increases:

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models. A 7 per cent increase in the waste removal tariff is proposed from 1 July 2015.

Table 51: Proposed waste tariffs increase

Deacription	Current Tariffs	Proposed Tariffs	Difference	Change
	R	R	R	%
Refuse removal category 7 Exemptions	945.61	1 011.80	66.19	7.00
Category 1 properties to a maximum of 5 bins/liner per removal	945.61	1 011.80	66.19	7.00
Uplifment of commercial,industrial and mining sector per year:	-	-	-	
Uplifment once a week	1 856.14	1 986.07	129.93	7.00
Uplifment twice a week	3 711.40	3 971.20	259.80	7.00
Uplifment three times a week	5 567.54	5 957.27	389.73	7.00
Uplifment seven times a week	12 990.35	13 899.67	909.32	7.00
Placing of industrial skip containers	393.86	448.61	54.75	7.00
Removal of industrial skip containers	393.86	448.61	54.75	7.00
Rental of skip per month	33.07	35.39	2.32	7.00

1.7.4 Other Tariff of charges

Other tariff of charges such as licenses and permits, town planning, fines and other revenue have been increased by 7per cent.

It must be noted that the Town planning related tariffs were not increased in the 2015/16 financial year in order to promote economic development in the Hibiscus coast area.

Operating Expenditure Framework

The Municipality's expenditure framework for the 2015/16 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;

- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services.

The following table is a high level summary of the 2015/16 budget and MTREF (classified per main type of operating expenditure):

Table 52: Summary of operating expenditure by standard classification item

R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure By Type									
Employee related costs	218,859	233,883	249,130	293,405	288,819	288,819	316,931	339,117	361,855
Remuneration of councillors	14,613	15,701	16,417	17,582	17,582	17,582	17,708	18,771	19,897
Debt impairment	4,953	7,159	669	2,100	–	–	–	–	–
Depreciation & asset impairment	43,487	48,578	57,944	51,347	53,347	53,347	55,526	59,729	59,730
Finance charges	3,714	9,133	6,517	13,616	13,616	13,616	6,998	7,418	7,863
Bulk purchases	45,912	57,007	63,982	69,589	69,589	69,589	77,422	88,447	101,041
Other materials	25,565	26,306	37,265	53,358	57,095	57,095	56,224	50,586	46,726
Contracted services	18,369	23,196	24,982	31,433	31,433	31,433	34,692	37,121	39,719
Transfers and grants	6,967	5,785	8,529	91,150	91,150	91,150	66,100	72,185	77,093
Other expenditure	226,724	143,783	140,691	81,629	119,464	119,464	123,259	127,247	134,969
Loss on disposal of PPE		1,658	422	(181)					
Total Expenditure	**609,163**	**572,189**	**606,549**	**705,028**	**742,095**	**742,095**	**754,860**	**800,621**	**848,893**

Table 53: Employee related costs details

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Employee related costs									
Basic Salaries and Wages	141,069	148,180	148,180	184,206	193,795	193,795	196,381	210,128	224,837
Pension and UIF Contributions	25,684	28,543	28,543	35,323	32,889	32,889	38,657	41,363	44,258
Medical Aid Contributions	7,710	9,806	9,806	13,205	13,787	13,790	17,695	18,934	20,259
Overtime	13,456	14,354	14,354	10,692	11,011	11,011	11,571	12,381	13,248
Performance Bonus	11,043	11,789	11,789	14,535	14,079	14,079	15,970	17,088	17,284
Motor Vehicle Allowance	7,554	7,010	7,010	8,195	7,770	7,770	8,195	8,769	9,382
Cellphone Allowance	1,451	1,679	1,679	534	1,701	1,701	1,778	1,902	2,036
Housing Allowances	870	748	748	1,495	1,114	1,114	1,403	1,501	1,606
Other benefits and allowances	20,010	21,987	21,987	5,543	12,674	12,673	25,282	27,052	28,945
Post-retirement benefit obligations	5,034	5,034	5,034						
Total Employee related costs	**233,883**	**249,130**	**249,130**	**273,730**	**288,820**	**288,822**	**316,931**	**339,117**	**361,855**

The budgeted allocation for employee related costs for the 2015/16 financial year totals R316 million, which equals 41 per cent of the total operating expenditure. The salary increases have been factored into this budget at a percentage increase of 6.85 per cent for the 2014/15 financial year and also it must be noted that there are other line items within employee costs e.g. overtime, standby allowances, salaries temps, pension funds contributions which were not kept at 6.85 per cent increase as compared to basic salary increase.

The cost associated with the remuneration of councilors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the municipality's budget.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R55.5 million for the 2015/16 financial and equates to 7.3 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (Cost of capital).Finance charges make up 0.75 per cent (R5 million) of operating expenditure budget excluding annual redemption.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The increase is 12 per cent as per NERSA Guidelines.

Repairs and maintenance comprises of amongst others the purchase of fuel, diesel, materials for maintenance, potholes, cleaning materials and chemicals. This group of expenditure has been prioritized to ensure sustainability of the municipality's infrastructure especially potholes. For 2015/1 the appropriation against this group of expenditure equals 7.44 per cent (R56 million)

Of the R54 million repairs and maintenance budget, R29.4 million relates to potholes and roads preventative maintenance .It must also be noted that roads rehabilitation amounting to R15 million been considered in the capital budget.

Contracted services equals 4.6 per cent of the expenditure budget and has been budgeted at R34 million. For the two outer years growth has been limited to 6 per cent.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. The salient features of general expenses have been the following:

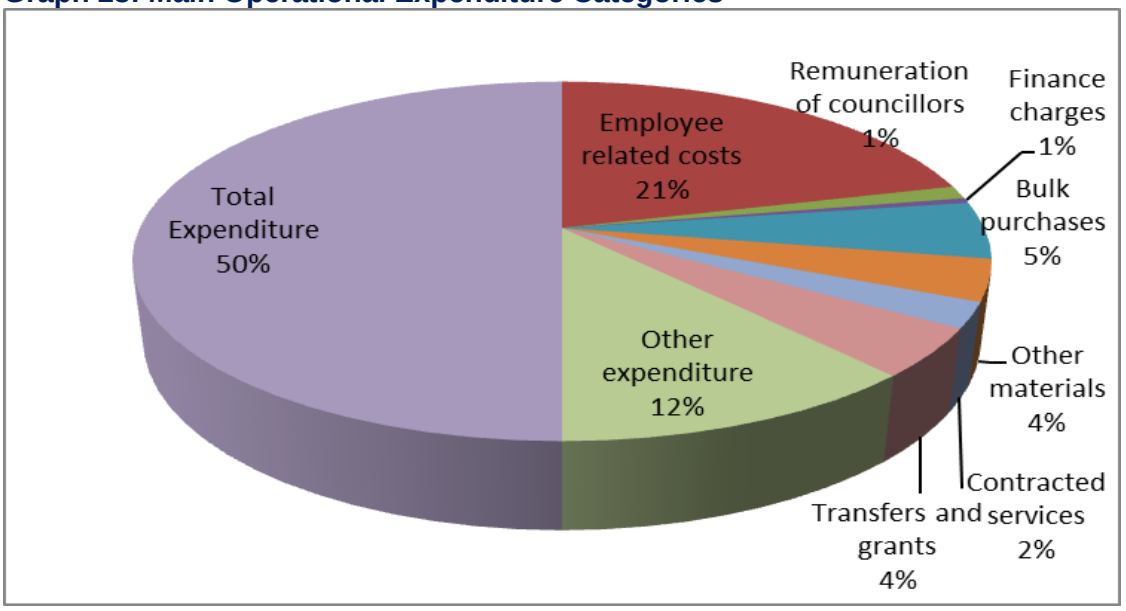
- Special functions R1.2 million
- Ugu Tourism R1.6 million
- Insurance all assets R2.1million
- Indigent support R1.1 million
- Subscriptions SALGA R 2.7 million
- Ward Committee Allowance R1,9 million
- Back to School Campaign R0.856 million
- Caucus Fees R0.3 million
- Youth Empowerment R1.3 million
- Gender Empowerment R0.5 million
- Children's rights R0.2 million
- Senior Citizen R0.3 million
- Disabled empowerment R0.2 million
- HIV initiative R0.1 million
- Local economic development R0.5 million
- Food for Waste R1.8 million
- EPWP R1 million
- Meter audit R0.8 million
- Grant-Hibiscus Coast Development Agency R1.6 million
- Rents and Leases R18 million
- Professional fees R6 million
- Electricity charges R6 million
- Plant hire R3 million
- Free basic indigents R3 million
- Rebates property rates R32 million
- Training and workshops R2.0 million
- Councilors training R0.4 million
- Productivity training R2 million
- Security monitoring charges R8.5 million

- Water charges R2.5 million
- Refuse site disposal charges R5.2 million
- Refuse Bags R1.8 million

The following graph gives a breakdown of the main expenditure categories for the 2015/16 financial year.

1.7.5 Main operational expenditure categories for the 2015/16 financial year

Graph 23: Main Operational Expenditure Categories



1.7.5.1 Priority given to repairs and maintenance

During the compilation of the 2015/16 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure and historic deferred maintenance especially roads. To this end, repairs and maintenance was substantially increased from R55 to R57 million by R2million.

And also, an amount of R15 million for roads rehabilitation has been provided under capital budget.

1.7.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face circumstances that limit their ability to pay for services. To receive these free services, the households are required to register in terms of the Municipality's Indigent policy and the policy is reviewed annually. The cost of the social package of the registered indigent households is largely financed by National government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.7.6 Capital Expenditure Framework

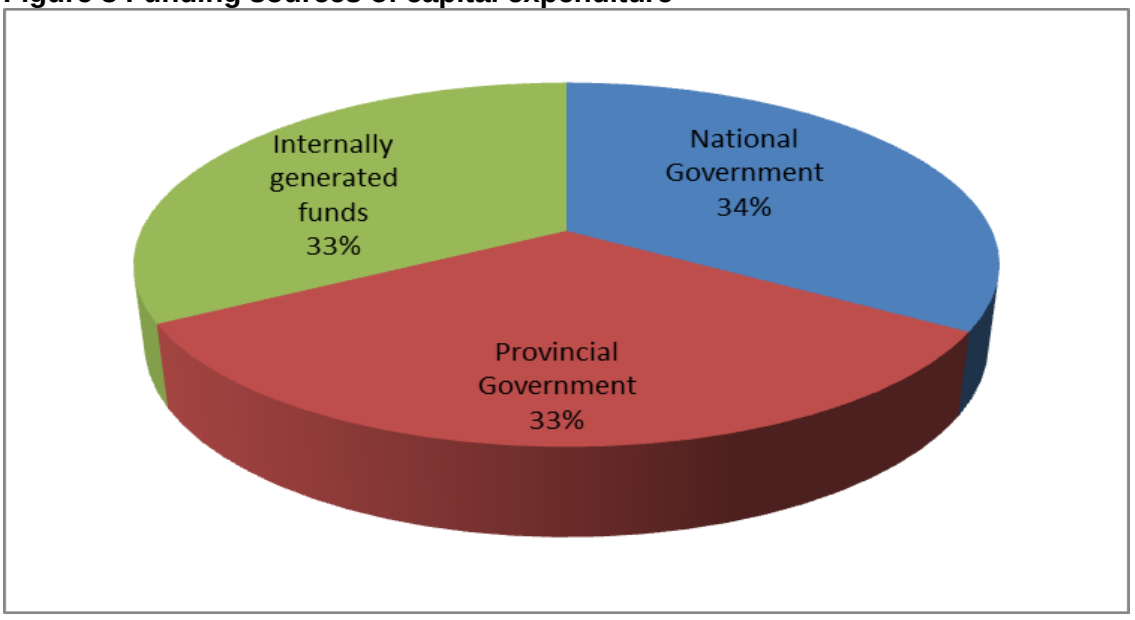
Table 54: Capital expenditure by funding source

Capital Expenditure by Funding Source				
Vote Description	2014/15	Budget Year 2015/16		
	Budget Year	Original Budget	Adjusted Budget	Budget Year
R thousands				
Funded by:				
National Government	45,724	50,814	50,814	54,940
Provincial Government	2,600	6,600	6,600	54,279
Internally generated funds	52,707	43,618	52,057	53,818
Total Capital Funding	**101,031**	**101,032**	**109,471**	**163,036**

The main source of funding of the 2015/16 Capital budget of R163 million is internally generated funds at R53.8 million, followed by National government at R 54.9 million and finally Provincial government at R52 million.

The above information can be graphically presented as follows:

Figure 3 Funding sources of capital expenditure



Some of the salient projects to be undertaken over the medium-term includes, amongst others:

• Housing	R 52.3 million
• Refuse compactors	R 3 million
• Electricity related projects	R4.5 million
• Community halls	R9.8 million
• Streetlights and traffic lights	R3.2 million
• South broom and Margate tidal pools	R0.9 million
• Community halls	R9.8 million
• Roads and bridges	R19.8 million
• Taxi ranks	R0.5 million
• Sports fields	R15.5 million
• Storm water	R11.3 million
• Road rehabilitation	R15.2 million
• Mini sub-station replacement	R0.2million
• Hibberdene transfer station civils	R 0.5 million
• Hibberdene ablution facilities	R0.5 million
• Fire station roof replacement	R0.4 million
• Batteries for sub – stations	R0.2 million
• Staff depot ablution facilities	R0.5 million
• Landfill site	R0.5 million
• Port Shepstone town rejuvenation	R 0.2 million
• Other capital projects	R 2.7 million.
• Departmental capital	R12 million
• Magede Mzobe Sportsfield	R0.4 million

1.7.7 The Indigent Policy

HCM has adopted the Indigent policy.

A. The purposes of the indigent policy are to:

(a) Provide basic services to the community within the financial and administrative capacity of the municipality; Provide procedures and guidelines for the subsidization of basic service charges to indigent households using the equitable share allocation received from National Treasury and other budgetary provisions; and

(b) Ensure affordability by subsidizing tariffs calculated in terms of the municipality's tariff policy and by setting appropriate service levels in terms of the municipality's service delivery plan.

B. Criteria for qualification

In order to qualify for indigent support the following criteria must be met:

(a) The verified gross monthly income of all occupants over 18 years of age may not exceed the amount approved by Council from time to time during the budget process;

(b) The property owner has completed an official application form;

(c) The registered indigent must be the full-time owner and living on the property concerned, and may not own any other property, whether in or out of the municipal area;

(d) The subsidy will only be valid for 12 months where after the customer must reapply. (e) The application has been approved by the municipality.

(f) That the property's market value (per the Municipal Valuation Roll) of the household applying for indigent relief may not exceed R290,000.00 in value.

C. Extent of indigent support

The Financial Plan does make provision for the free basic services to registered indigents. These include rates and refuse. Subsidies are determined during the compilation of the annual budget. These service charges are limited to electricity, rates and refuse.

Free Basic Service

The Financial Plan does make provision for free basic services to registered indigents. These include rates and refuse. Subsidy levels are determined during the compilation of the annual budget. These service charges are limited to electricity, rates and refuse. For the year that ended, 30 June 2014, more than R1m was used to subsidize indigents for the said services. A total of 19200 beneficiaries for electricity were assisted in the process. In 2013/14 a budget of R 1,312,499.00 has been set aside for this purpose. Waste collection was 1,216 beneficiaries, in terms of rates, R 1, 99, 130.37 was used.

Financial viability

HCM has been able to generate sufficient income to meet operating expenses, debt commitments and maintaining service levels and we have been able to manage finances of the municipality within the regulatory framework as evident from the unqualified audit report received by the municipality for past five years.

1.7.8 Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis

Strengths	Weaknesses
• -83% of income generated internal and sources being rates, electricity and refuse • -17% of income grant funding • -Unqualified Audit Report consecutively for the last 5 years • Annual financial statements developed internal • Robust PMS System	• Collection is not always 100% • Ageing infrastructure resulting in disgruntled ratepayers who are threatening to withhold rates which is the Municipality's main source of income • Amendments of the AFS which resulted in the none achievement of clean audit
Opportunities	**Threats**
• Being one of the most financial stable Municipalities in KZN and South Africa • Introduction of the case ware reporting system which will assist in addressing the issue of quality of AFS	• Ratepayers threating to withhold rates • Irregularities within the procurement prices • Fixed asset register system have some weaknesses • Poor fleet management • Non planning for future replacement of capital items • Currently solid waste removal is operating at a deficit

CHAPTER 2: PLANNING AND DEVELOPMENT PRINCIPLES AND GOVERNMENT IMPERATIVES

2.1 Aspects informing the 2015/16 IDP Review process

The preparation and review of the IDP is a continuous process providing a framework for development planning activities in the district. As such, the IDP is not only annually assessed in terms of delivery and the prevailing conditions of the municipality, but also improved upon each and every year.

- Responding on the outcome delivery Agreement (Outcome 9) and its 7 outputs as signed by the Minister (COGTA), all provincial MECs as well as Mayors on 1 October 2010
- Responding to issues raised during the Provincial and own assessments (SWOT)
- Responding to the comments and issues raised by the MEC for COGTA on the 2014/15 IDP
- Responding to issues identified as part of the Municipal Turnaround Strategy
- Reviewing the current vision, Mission statement, objectives, strategies, programmes and projects
- Alignment of the IDP, Budget and PMS activities of the district with those of the local municipalities
- Updating baseline information to ensure sound decision making in addressing service delivery gaps
- Strengthening focused community and stakeholder participation in the IDP Process; and
- Aligning Sector Departments' strategic plans to the district wide priorities and service delivery programmes.

2.2 Strategic Development Alignment Matrix

HCM has responded to the National Vision 2030 through the six KPAs. On page 187 is the set of National priorities and how HCM adheres to them. The detailed Strategic matrix is contained in Chapter 3.

NDP PRIORITIES	PDGDP GOALS	UGU DGDP RIVERS OF CHANGE	HCM STRATEGIC GOALS
Job Creation	Job Creation	Sectoral Development and Support	Creating Employment Opportunities
			Support Cooperatives and SMMEs Create Opportunities for Growth
			Provide Direct Strategic Support to Key Economic Sectors while Promoting New Economic Sectors
Expanding Infrastructure	Strategic Infrastructure	Strategic Infrastructure Development	Address Infrastructure Backlog and Unlock Latent Economic Development Opportunities
Provision of Quality Health Care	Human and Community Development	Safety and Empowerment of Communities	Alleviate Poverty and Promote Socio Economic Development
			Create Opportunities for Women and Youth Empowerment
	Human Resource Development	Institutional Development	
Improving Education and Training		Education and Skills Development	
	Environmental Sustainability	Environmental Sustainability	
Building a Capable State	Governance and Policy		
Transformation of Rural and Urban Spaces	Spatial Equity	Spatial Restructuring and Security of Tenure	Drive Comprehensive Rural Development

Table 55: Planning Principles Matrix

Planning and Development Principles	Application in the IDP	Cross Reference
1.Spatial justice	Redressing the imbalances of the past incorporating provisions that enable redress in access to land by disadvantaged communities and persons.	SDF Map in E Section of the document
2. Spatial sustainability (SPLUMA and PDA)	The IDP promotes land development and considers all existing and future costs to all parties for the provision of infrastructure and social services in land development.	SDF Map in E Section of the document

Planning and Development Principles	Application in the IDP	Cross Reference
3. Principle of Efficiency	The IDP talks to this principle. There is optimization of the existing infrastructure resources.	
4. Good administration	Cooperation of sector departments to provide sector plans and inputs on preparation of the SDFs and to ensure that land development application are in	
3.The direction of new development (SPLUMA)	The implementation plan of the IDP speaks to new proposed projects and developments	Section E2

2.3 The Millennium Development Goals (MDG)

South Africa is a signatory of the Millennium Development Goals with other concerned countries. The Millennium Development Goals (MDG) initiative was aimed at attaining the following goals. Each goal has specific target (s):

Goal 1: Eradicate extreme poverty and hunger

Target 1: Rural Development.

Target 2: Halve between 1990 and 2015 the proportion of people who suffer from hunger

Goal 2: Achieve universal primary Education

Target 3: Ensure that, children are able to complete a full course of primary schooling

Goal 3: Promote gender equality and empower women

Target 4: Eliminate gender disparity in Primary and secondary education, and in all levels of education.

Goal 4: Reduce child mortality

Target 5: Reduce the under-five year child mortality rate by two thirds, between 1990 and 2015

Goal 5: Improve Maternal Health

Target 6: Reduce the maternal Mortality ratio by two thirds, between 1990 and 2015

Goal 6: Combat HIV/AIDS, Malaria and other diseases

Target 7: Have ceased and began to reverse the spread of HIV/AIDS by 2015

Target 8: Have terminated and began to reverse the spread of malaria and other infectious diseases by 2015

Goal 7: Ensure environmental sustainability

Target 9: Integrate the principles of sustainable development into country policies & programmes and reverse the loss of environmental resources

Goal 8: Develop a Global partnership for development

Target 10: Develop further an open, rule-based, predictable, non-discriminatory, trading and financial system, including a commitment to good governance, development and poverty reduction, both Nationally & Internationally

Target 11: Address the special needs of the least Developed Countries, including tariff- and quota free access for Least Developed Countries exports, enhanced programme of debt relief for heavily indebted poor countries and cancellation of official bilateral debt and more generous official development assistance for countries committed to poverty reduction.

2.4 SPLUMA Principles

2.4.1 Preparation of SDF

I. The nation and provincial spheres of government and each municipality must prepare Spatial Development Frameworks that-

 a) Interpret and represent the spatial development vision of the responsible sphere of government and competent authority

 b) Are informed by a long term spatial development vision statement and plan;

c) Represent the integration and trade-off of all relevant sector policies and plans

d) Guide planning and development decisions across all sectors of government;

e) Guide a provincial department or municipality in taking any decisions or exercising any discretion in terms of this Act or any other law relating to spatial planning and land use management systems;

f) Contribute to a coherent, planned approach to spatial development in the national, provincial and municipal spheres;

g) Provide clear and accessible information to the public and private and provide direction for investment purposes;

h) Include previously disadvantaged areas, areas under traditional leadership, rural areas, informal settlements, slums and land holdings of state-owned enterprises and government agencies and address the inclusion and integration into the spatial, economic, social and environmental objectives of the relevant sphere;

i) Address historical spatial imbalances in development;

j) Identify the long term risks of particular spatial patterns of growth and development and the policies and strategies necessary to mitigate those risks;

k) Provide direction for strategic developments, infrastructure investment, promote efficient, sustainable and planned investments by all sectors and indicate priority areas for investment in land development;

l) Promote a rational and predictable land development environment to create trust and stimulate investment;

m) Take cognisance of any environmental management instrument adopted by the relevant environmental management authority;

n) Give effect to national legislation and policies on mineral resources and sustainable utilization and protection of agricultural resources; and

o) Consider and, where necessary, incorporate the outcomes of substantial public engagements, including direct participation in the process through public meetings, public exhibition, public debate and discourses in the media and any other forum or mechanisms that promote such direct involvement

II. The national government, a provincial government and the municipality must participate in the spatial planning and land use management processes that impact on each other to ensure that the plans and programmes are coordinated, consistent and in harmony with each other.

III. A Spatial Development Framework adopted in terms of this Act must guide and inform the exercise of any discretion or of any decision taken in terms of this Act or any other law relating to land use and development of land by that sphere of government.

IV. The National Spatial Development Framework must contribute to and give spatial expression to national development policy and plans emanating from the various sectors of national government and may include any regional spatial development framework

V. A provincial spatial development framework must contribute to and express provincial development policy as well as integrate and spatially express policies and plans emanating from the various sectors of the provincial and national spheres of government as they apply at the geographic scale of the province

VI. A municipal SDF must assist in integrating, coordination, aligning and expressing development policies emanating from the various sectors of the spheres of government as they apply within the municipal area

VII. SDFs must outline specific arrangements for prioritizing, mobilizing, sequencing and implementing public and private infrastructural and land developments investment in the priority spatial structuring areas identified in the SDFs

2.5 The 14 National Outcomes

Outcome 9 has been singled out as a direct municipal function from the 14 National Outcomes

Outcome 9 has been broken into seven outputs

Output 1: Implement a differentiated approach to municipal financing, planning and support

Output 2: Improve access to basic services

Output 3: Implementation of the community work Programme

Output 4: Actions supportive of the human settlement outcome

Output 5: Deepen Democracy through a refined ward committee model

Output 6: Administrative and financial capability

Output 7: Single window of coordination

HCM's response to effective implementation of the service delivery agreement, assisting in achieving the following imperatives:

- Creating a radical paradigm shift in the management of the public service by aligning service delivery with the values and needs of the public;
- Ensuring a focus on customer value proposition which should entail evaluation of service delivery through the eyes of the customer;
- Providing strong feedback mechanisms on quality and timelines of service delivery
- Creating of strong public/private partnerships through involvement of the private sector and civil society in the broad process of policy determination and implementation,
- Unprecedented improvement of the image of government in the eyes of the public by enthusiastically embracing and supporting the process and culture of performance.

Through the service delivery agreement; COGTA and municipalities commit to the following:

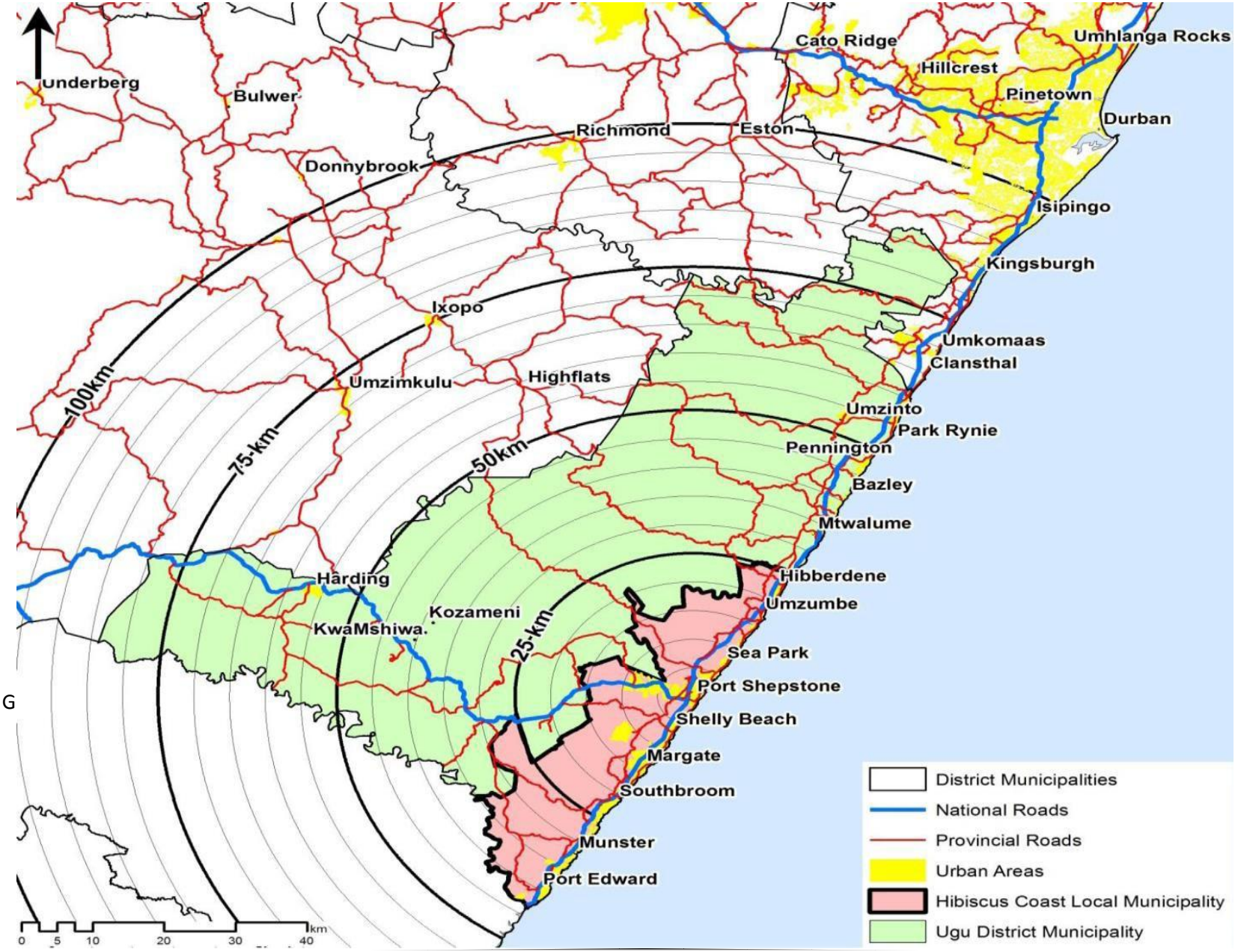
- The extension of basic services which include water, sanitation, electricity and waste systems for improved service Management;
- Creation of job opportunities by 2015 through community works programme
- Transformation of administrative and financial systems in the municipalities which includes Supply Chain Management and the integration and streamlining all of our internal software systems to ensure uniformity, linkages and value for money;
- The filling of six critical senior municipal posts in various municipalities namely Municipal Manager, Chief Financial Officer, Town Engineer, Town Planner, Human Resources Manager and Communications manager as the basic minimum for every municipality;
- That all municipalities in the province will achieve clean audits by 2015
- Building municipality capacity to enable municipalities to collect 90% of their revenues
- Strengthening the organizational performance management delivery and accountability to the communities;
- Improving our interaction with the institutions of traditional leaders and integrating the ward-based system of planning and governance with the programme of traditional councils, where they exist



2.6 PGDS Nodes and Corridors Hierarchy

The provincial Government has developed its own Growth and Development Strategy which is closely aligned to both the Millennium Development Goals and national development goals. The PGDS is essentially a tool through which the provincial government can address the legacies of the apartheid space economy, promote sustainable development and ensure poverty eradication and employment creation' (PSEDS; 2007). A number of primary, secondary and existing corridors have been established along the KwaZulu-Natal southern coast a combination of which merge within the Hibiscus Coast Municipality. The corridors are complimented by a series of nodes identified as Primary, Secondary, Tertiary, Quaternary and 5th level nodes. The KwaZulu-Natal south coast contains a combination of these nodes A single primary node is located within the Durban CBD, a secondary node is located within the Hibiscus Coast Municipality at Port Shepstone, four tertiary nodes identified in Ixopo, Umzinto, Hibberdene and Margate, and seven quaternary nodes scattered throughout the south coast within one falling within the study area at Port Edward. It is evident on the plan that most of the major nodes are located along the coast with very few inland key nodes.

Map 25: PGDS Nodes



Source: HCM G

CHAPTER 3: DEVELOPMENT STRATEGIES

3.1 Strategic Framework

HCM held its Strategic Session Planning in 2014 whereby the vision, mission statement as well as Strategic objectives were reviewed and later approved by Council. The strategic objectives are aimed at helping to provide guidance on how an organization can fulfill or move towards its aimed goals. This chapter there for seeks to address how key problems mentioned in the situational analysis in chapter one are being addressed using strategies identified during the IDP document has been informed and aligned to the Strategic documents as well as National and Provincial Strategic objectives ;

- Provincial Growth and Development Strategy
- Municipal Turnaround Strategy
- National Delivery Outcome Agreements(especially outcome 9 in relation to local government and municipalities
- Millennium Development Goals

3.1.1 Goals, Vision and Mission Statement

The long-term vision and mission statements for the municipality has not changed and remains as follows:

VISION

To be a thriving, well managed, tourist friendly, national leader providing all its inhabitants with quality services in a safe and healthy environment.

MISSION

Hibiscus Coast Municipality excels at providing quality services for all, facilitating partnerships and creating an enabling environment for sustainable development

This Vision and Mission statements still remain a rallying call for the municipality. The focus primarily is on tourism as the leading sector serving as the engine for our economic growth and development still holds. On the provision of infrastructure and services, the municipality still believes that it should ensure equity and access and that partnerships are a key tool for the organisation in this regard. The national and provincial government development call still talk to this focus and areas of emphasis and therefore both statements remain important.

Strategies have been developed to promote economic and social development aiming to provide job opportunities and reduce poverty levels. Generally HCM is the most concentrated economic hub within Ugu District Municipality with the main economic sectors being tourism and agriculture with some manufacturing occurring in Port Shepstone. As an economic hub, HCM has advantage of influencing the Ugu Regions economic potential, policies and development programmes. The Municipality has set the following strategic goals in order to guide the process of moving progressively towards the attainment of the long-term vision:

- Creating employment opportunities
- Alleviate poverty and promote socio economic development
- Create opportunities for youth and women empowerment
- Support cooperatives and SMMEs, create opportunities for growth
- Provide direct strategic support to key economic sectors while promoting new economic sectors
- Drive comprehensive rural development
- Address infrastructure backlog and unlock latent economic development opportunities

3.1.2 Strategic Objectives

A. MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

i. To develop an ethical and well managed corruption-free municipality
ii. To improve and develop skills and capacity in HCM
iii. To improve operational productivity in service delivery
iv. To build a high performance HCM Organization

B. SERVICE DELIVERY

i. To improve infrastructure project and interventions delivery and ensure value is derived
ii. To improve the delivery of basic service
iii. To eliminate housing backlogs
iv. To grow the Hibiscus rural area/households that have full access to basic
v. services

C. LOCAL ECONOMIC DEVELOPMENT AND SOCIAL DEVELOPMENT

i. To grow the economy of HCM by average of 5% in 5 years
ii. To establish a conducive environment to attract and grow businesses and cooperatives

iii. To promote rural development through nodal developments especially for commerce and industries

iv. To promote HCM as a tourism and investment destination

v. To improve social cohesion within HCM

D. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

i. To promote a culture of participatory democracy and social cohesion

ii. To address moral regeneration need

iii. To foster effective and efficient Inter-Governmental Relations (IGR)

iv. To have reviewed and up to date organizational policies in line with current national and provincial agenda

v. To build a fraud and corruption free organisation

vi. To promote and uphold principles of good governance and legal compliance

vii. To ensure a safe and rime free municipality by reducing crime through law and by law enforcement

E. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

i. To ensure efficient and effective management of leases and disposal of Municipal owned properties.

ii. To uphold treasury norms and standards in terms of budgeting and reporting requirements

iii. To improve debt and revenue management

iv. To ensure expenditure on long term capital infrastructure project plans

F. CROSS CUTTING ISSUES

i. To promote a healthy and hygienically safe environment, which supports sustainable utilization of natural resources and creates an environmentally educated society

ii. To promote a sustainable and resilient infrastructure development and land use

iii. To improve and build a sustainable HCM environment

3.1.3 Strategic Priorities

Based on the status quo analysis in Chapter 1 as well as the development strategies and objectives that followed, this section summarises projects regarded as having significant development impact based on the mandate of the Council as per legislative and policy provisions. It is the projects that go beyond the powers and functions and affordability of Council and only use need and desirability/impact as the criteria. The projects summarised are regarded as catalytic projects to be implemented mostly within the next three years. The list is not exhaustive as the full list is provided in Chapter 5 (Implementation Plan).

Table 56: Strategic Matrix

Key Performance Area	Strategic Goals	Strategic Objective	Strategic Initiative / Priority / Project
Municipal Transformation and Organizational Development	**Creating employment opportunities**	**1.To Improve and develop skills and capacity in HCM**	• Capacitate emerging farmers • Establishment of training centres • The promotion of apprenticeships with partnerships with business skills
		2. To Improve operational productivity in service delivery	• Appoint Council surgeon • Establish a municipal workshop • Review of Performance
		3. To develop an ethical and well managed corruption- free municipality	• Promote the Music City project
		4. To Build a high-performance HCM organisation	• Full access to basic services by all house holds
Basic Service Delivery	**Address infrastructure backlog and unlock latent economic development opportunities**	**5.To improve infrastructure project and interventions delivery and ensure value is derived**	• Support Intermodal project in Port Shepstone • Constructions of crèches in each ward • Construction of community halls • Construction and/or refurbishment of deteriorating roads and bridges • Finalise all DPW lease agreements • Construct multi-purpose youth and art centres • Construct an HCM Science Park and Technology Hub • Margate Urban Renewal • Total refurbishment and upgrade of beach infrastructure • Total extension of middle income houses

Key Performance Area	Strategic Goals	Strategic Objective	Strategic Initiative / Priority / Project
		6. To improve the delivery of basic services	• Provision of electricity • Facilitate the delivery of water and sanitation • Create an SLA for maintenance • Refuse removal, increase fleets and capacity of fleet Operators
	Drive comprehensive rural development	**7. To grow the Hibiscus rural area / households that have full access to basic services**	• Basic Services in every households (Water and Sanitation) 2000 VIP by December 2014 • Improved Basic Infrastructure (Densely Populated Areas)
		8. Eliminate housing backlog	• KwaMavundla Rural Phase 2 • Gamalakhe In-Situ • Rectification of Houses in Gamalakhe
Local Economic Development	**Creating Employment Opportunities** **Create opportunities for youth and women empowerment** **Support Cooperatives and SMMEs Create Opportunities for Growth** **Provide Direct Strategic Support to Key Economic Sectors while Promoting New Economic Sectors**	**9. To grow the economy of HCM to 8% in 5 years**	• Development of industrial hubs • Adopt and implement HCM's incentive policy • Rejuvenate KwaXolo Caves project and the KwaXolo chicken abattoir • The establishment of a conference centre • The rejuvenation of the Hibberdene Harbour Project • Building infrastructure for street trading, and regulate • Expansion of the Margate Airport • Capacitating emerging farmers • Upgrading and rehabilitation of the beach facilities and CBD infrastructure • Re-zoning of the properties • Facilitation of the satellite campuses

Key Performance Area	Strategic Goals	Strategic Objective	Strategic Initiative / Priority / Project
	Drive Comprehensive rural development	11. **To establish a conducive environment to attract and grow businesses and coops (community act**	• Construction of Music City SA • Disposal of land parcels for development purposes • Expediting land claims for agricultural purposes • Review the SCM to support co-ops • Regularise and support informal trading • Develop an Investment incentive policy • Build more roads to improve access to rural areas • Co-ops and SMMEs for infrastructure development – to deal with potholes • Flee market corporative development • Encourage co-ops and SMME to register on the database • Develop policy that will support co-op and SMME procurement • Rural tourism attractions • Tarring of gravel roads • Replacement and upgrading of bus and taxi shelters • Refurbishment of pavements, walkways and street signs • Upgrading of traffic lights
Local Economic Development	**Alleviate poverty and promote social economic development**	**12. Promote HCM as a tourism and investment destination**	• Establish a conference centre • Rejuvenate the Hibberdene Harbour Project • Build infrastructure for street trading , demarcate and • regulate trade • Support Intermodal project in Port Shepstone • Promote the music city project • Expansion of the Margate Airport
		13. Improve social cohesion within HCM	• Development of Youth Centre

Key Performance Area	Strategic Goals	Strategic Objective	Strategic Initiative / Priority / Project
Municipal Financial Viability and Management	**Address infrastructure backlog and unlock latent economic development opportunities**	**14. Ensure expenditure on long-term capital infrastructure project plans**	• Utilize internal staff for road maintenance using chip and spray • Improve project management and review of project • Basic Services in every households (Water and Sanitation) 2000 VIP by December 2014 • Improved Basic Infrastructure (Densely Populated Areas)
Cross Cutting Issues	**Alleviate poverty and promote social economic development**	**15. Expand rural and urban spatial development areas**	• Build infrastructure for street trading, demarcate and regulate trade
		16. To improve and build a sustainable HCM environment	• Ensure plot clearing • Utilize internal staff for road maintenance using chip and spray • Improve project management and review of project
Good Governance	**Drive comprehensive rural development Creating employment opportunities**	**To ensure a safe and crime-free municipality by reducing crime though law and by-law enforcement**	• Consolidate and review by-laws • Ensure 24 hour service of law enforcement services • Continue with the acceleration of by-law enforcement • Extend by law enforcement to MPCCs and Rural areas • Maximise the participation of law enforcement (CPF) • Mainstream security issues in hotspots • Encourage neighbourhood watch and the formation of Urban Improvement Precincts (UIP) • Raise police visibility in all beaches • Introduction to the shift system to extend hours of visibility • Introduction of a buddy system with SAPS

3.2 Strategic Mapping

3.2.1 Spatial Planning and Environment

The Hibiscus Coast Municipality is situated along the coastline in the southern portion of KwaZulu-Natal and is surrounded by Umzumbe and Umdoni Municipalities to the north, and Ezinqoleni Municipality inland and to the west. To the south lies the municipality of Mbizana which is located in the Eastern Cape. The region has an extensive range of natural assets, particularly the coastline, which have attracted a range of development opportunities into the area over time.

The Municipality has well developed infrastructure along the coast and reasonable economic growth has given rise to an inland corridor where the hinterland is characterised by poor infrastructure provision and a large number of formal and informal settlements not well connected to the coastal settlements. The key to the development of the SDF is to create opportunity for the people that shadow the coastal corridor.

SDF Vision and Objectives

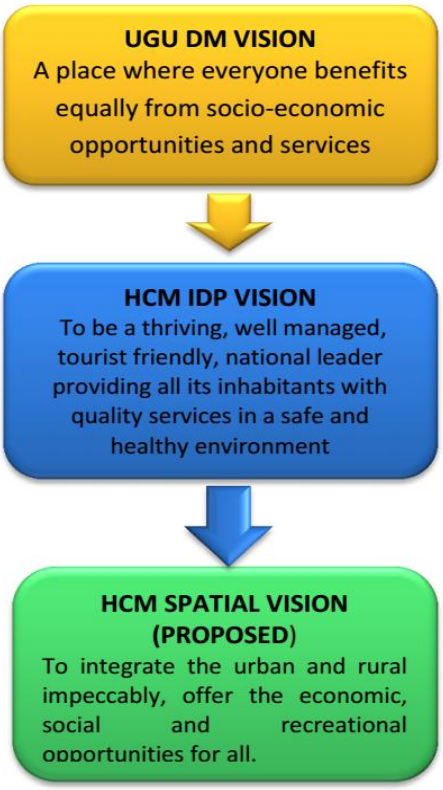
The vision has been developed to guide the direction and growth of the Municipality through the status quo findings and be in line with the IDP vision.
Hibiscus Coast Municipality development vision is a core element of the development strategy and fulfils the requirements of the Municipal Systems Act.

Translated into spatial planning, the vision commits the municipality to development that is:-

- flourishing and prosperous;
- mobilize resources for the best quality services and
- strive to create a user friendly environment for
- its citizens and investors,
- non-discriminate access to services and development opportunities to its inhabitants, Thus resulting in sustainable development in partnership with other stakeholders."

The Figure on the next page aims to align the above concepts in the municipality's vision statements.

Illustration 3: Alignment of Vision Statements



Spatial Framework Planning must actively seek to encourage new settlement patterns that are performance based, which create opportunity and choice, and which break from the status quo, often characterised by historically distorted patterns of poor performance and unsustainability. Spatial Framework Planning must be guided by an approach that is Vision based and concerned with sustainable futures, as per SPLUMA principles.

3.2.2 Spatial Planning Process for Public Capital Investment

Step 1 - Establish an Open Space Structure
(Provides the essential basis of the framework and should define a range of landscape.)
Fragile Landscapes
Natural resource base including high agricultural potential
Water resources and wetland protection,
Tourism potential and areas of landscape beauty
Step 2: Understand the Geography of Poverty and Need
(This would include mapping existing settlements, capturing a range of settlement types and socio-economic need.)
Density of settlement
Access to services
Location of facilities – threshold and range
Areas of highest and concentrated need
Step 3: Establish a Spatial Lattice
(This would involve establishing a framework of movement routes that respond to the following.)
Apartheid distortions and promote physical integration
Enhance equity and access
Considers movement as primary basis and enabler
Twins the spatial lattice with appropriate modes of Public Transport(PT) and key PT interchange points
Step 4: Develop the Logic of Investment Centres
(This would involve marrying the spatial lattice with the concentration of need and opportunity.)
Mapping existing and emerging centres
Highlight new opportunities for local nodes
Measuring threshold and range based on maximising pedestrian proximity
Developing a clear hierarchy of centres

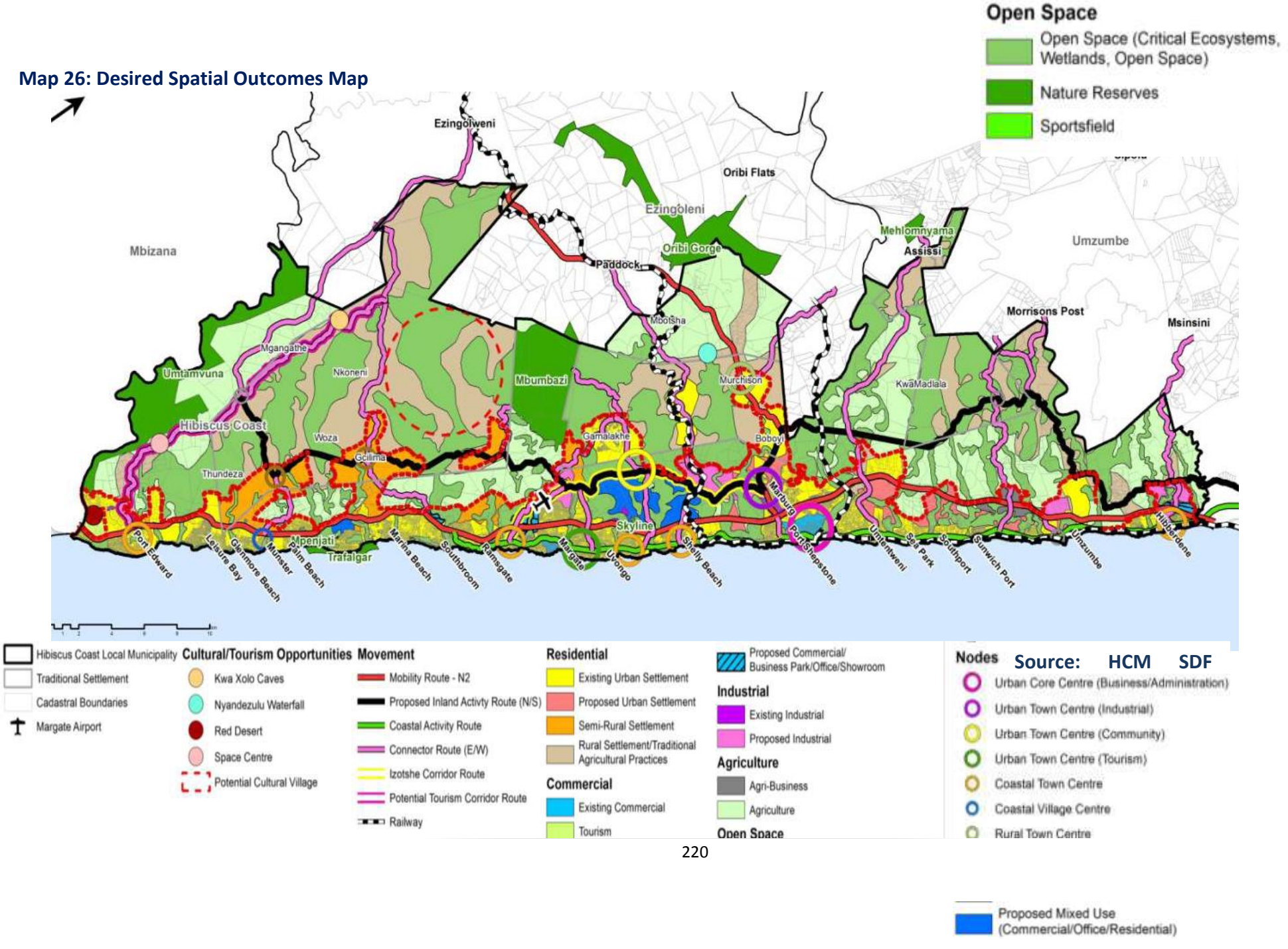
Step 5: Localised Urban Growth Boundaries (UGB)
(The structure defined by the various themes up to this stage should assist in defining a clear logic for settlement. This would require reinforcement through the use of growth boundaries that are given local definition, scale and physicality. The UGB may follow or reinforce particular routes as a basis for consolidating development and services. This could inter alia result in defining activity spines for development.)
Existing settlements of higher density
Walking distance from key spines and nodes
Natural features and open space structure
Step 6: Local Density as Basis
(To foster greater opportunity and choice lies in the ability to concentrate activity and to provide the necessary thresholds of support. This stage of the framework should consider areas within the UGB for greater densification through identifying space for infill and residential growth.)

3.2.3 Densification Strategy for Hibiscus Coast

Hibiscus Coast Municipality is still developing its wide densification strategy and seek to shift the growth trajectory of the urban component in a more efficient, equitable and/or sustainable direction. This could be achieved through the development of a specific strategy for the direction and management of one of the most important characteristics that influences the quality and performance of, and the efficiency and sustainability of human settlements i.e. urban and rural settlement density. Hibiscus Coast Municipality is faced with having to manage the challenges/ opportunity associated with an abundance of natural/ tourism and historical resources, high population growth and rural to urban migration whilst at the same time, enhancing the sustainability and livability of the area under its jurisdiction

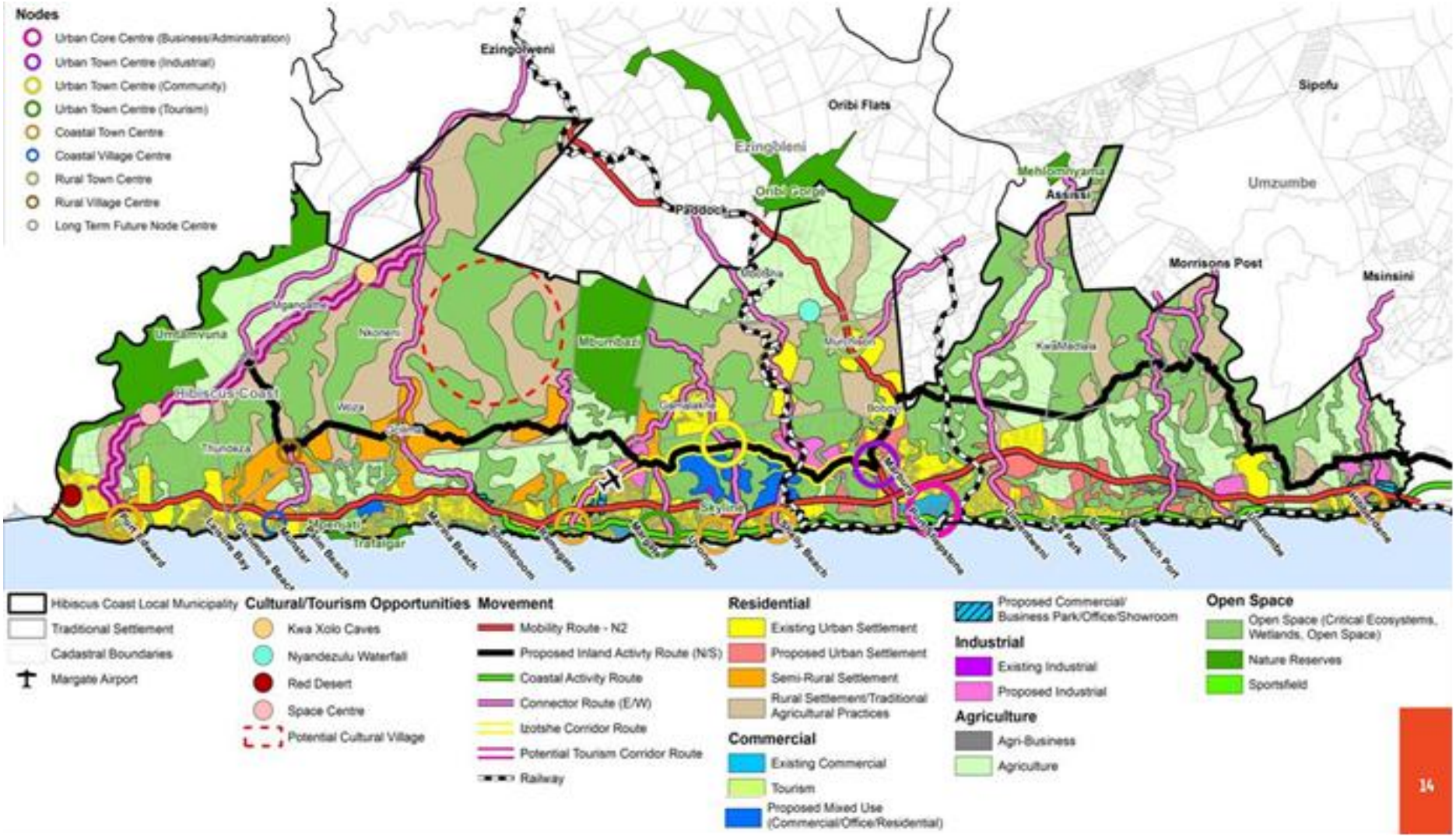
(See maps on the page below that illustrate the above information)

Map 26: Desired Spatial Outcomes Map



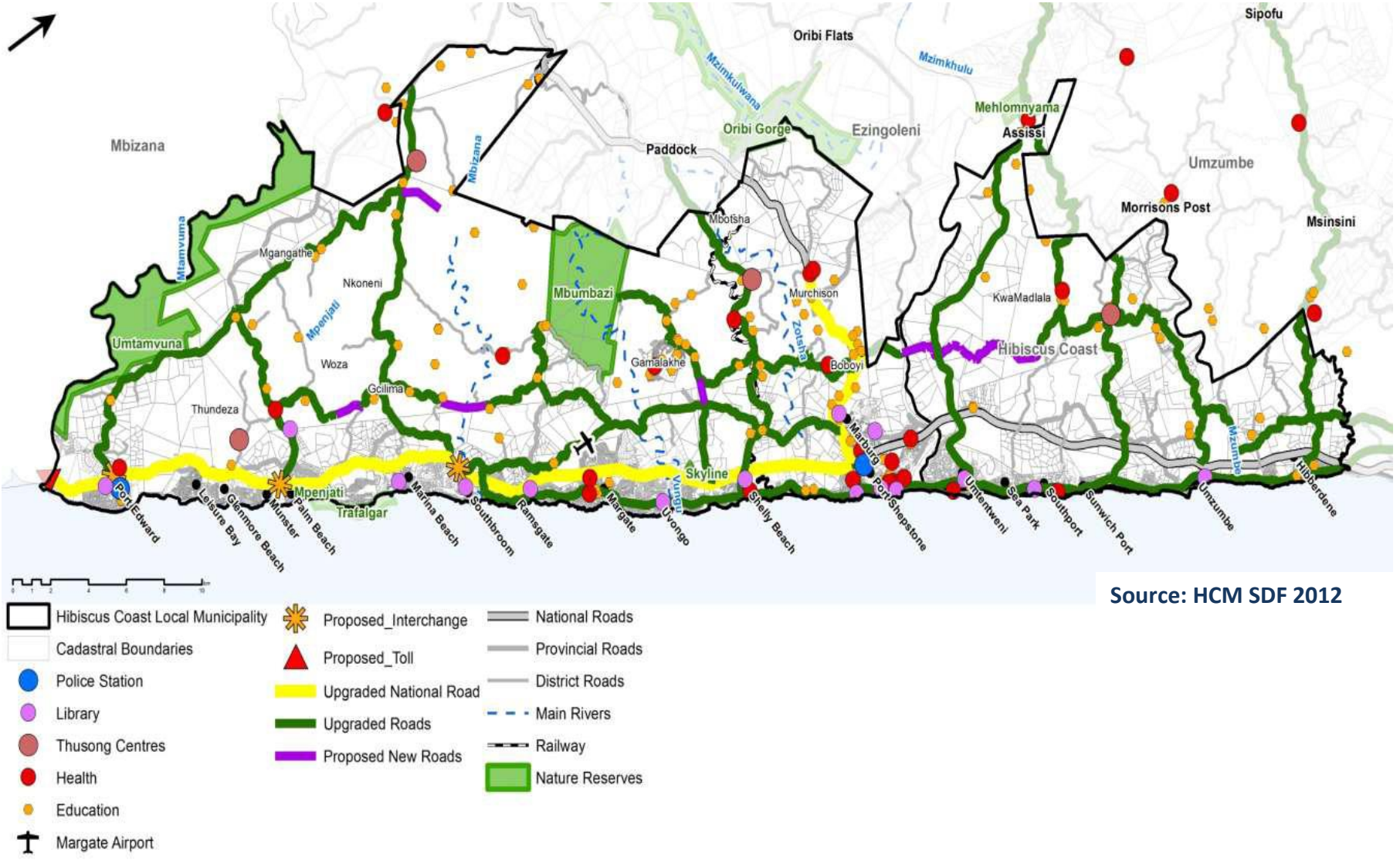
Source: HCM SDF

Map 27: Spatial Reconstruction Map



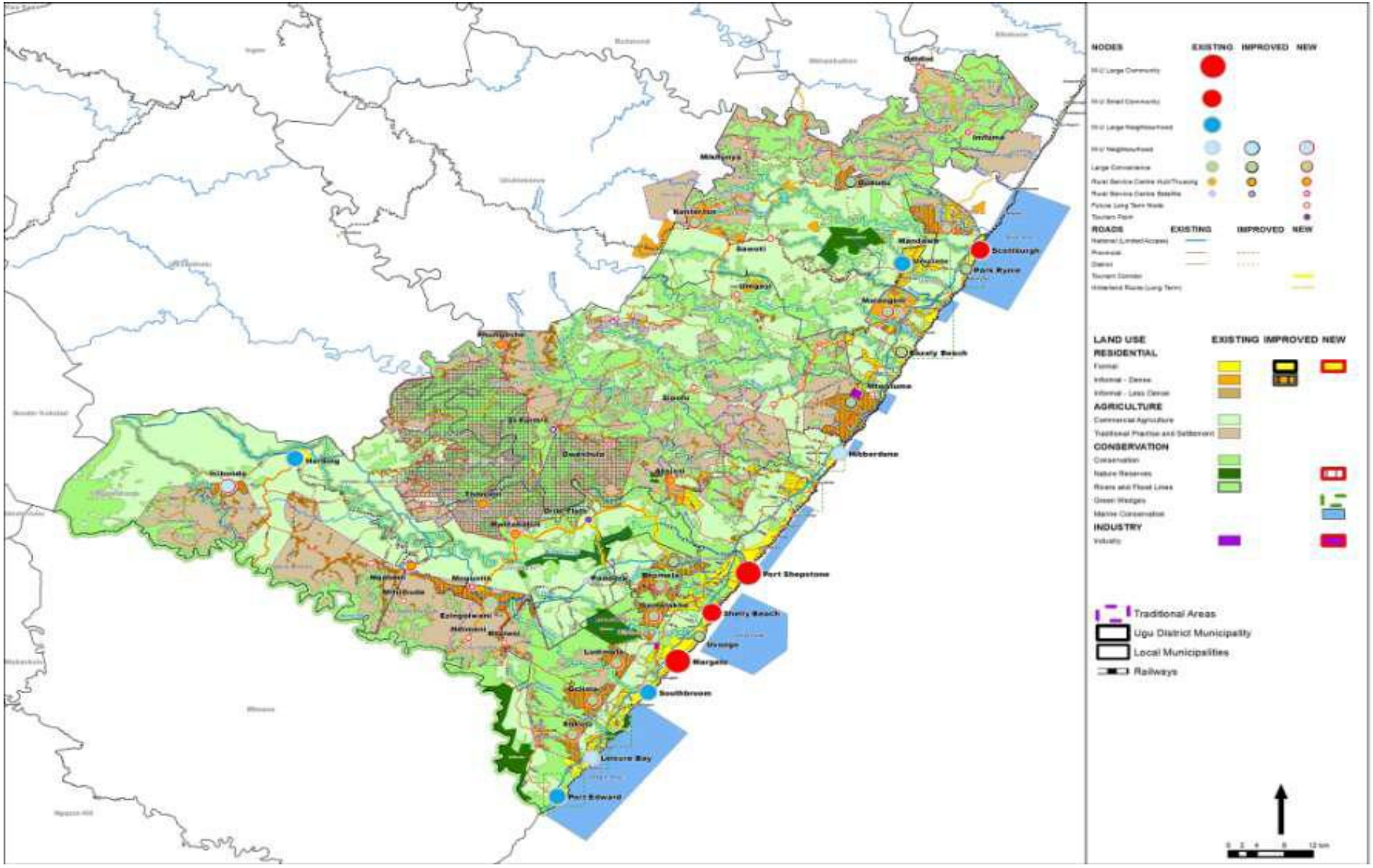
Source HCM: SDF 2012

Map 28: Strategic Guidance (Location of public and private development)



Source: HCM SDF 2012

Map 29: Nodes development



Source: HCM SDF 2012

3.2.3.1 SDF Spatial Principles

Hibiscus Coast SDF is strengthened by following principles which have been extracted from various pieces of legislation and policy documents and are considered applicable to guide the preparation, review and implementation of Hibiscus Coast Municipality SDF. The objective of the principles and norms is to influence directly the fundamental outcomes of planning decisions, whether they relate to spatial development frameworks or decisions on land use change or development applications. These include:

- promoting sustainable use of the land;
- Channeling resources to areas of greatest need and development potential, thereby redressing the inequitable historical treatment of marginalized areas;
- Supporting an equitable protection of rights to and in land.
- restructuring spatially inefficient settlements;
- stimulating economic development opportunities in rural and urban areas; and
- Taking into account the fiscal, institutional and administrative capacities of role players, the needs of communities and the environment.

In addition they promote:

- accountable spatial planning, land use management and land development
- decision-making by organs of state;
- cooperative governance and wider information sharing in plan-making and
- implementation; and
- Maximum openness and transparency in decision-making.

The principles and norms collectively form a vision for land use and planning in Hibiscus. They constitute a single point of reference, and an overarching coherent set of policy guides to direct and steer land development, planning and decision-making in land use so that outcomes thereof are consistent with the development objectives.

Hibiscus Coast municipality's SDF's goals and objectives

The primary objectives for the Hibiscus Coast SDF are to build on the existing opportunities within the Municipality, these include;

- **Overarching Objective 1:** Manage urban growth and balance with environmental protection;
- **Overarching Objective 2:** Improve employment and access to economic opportunities; and
- **Overarching Objective 3:** Build inclusive, integrated and vibrant city.

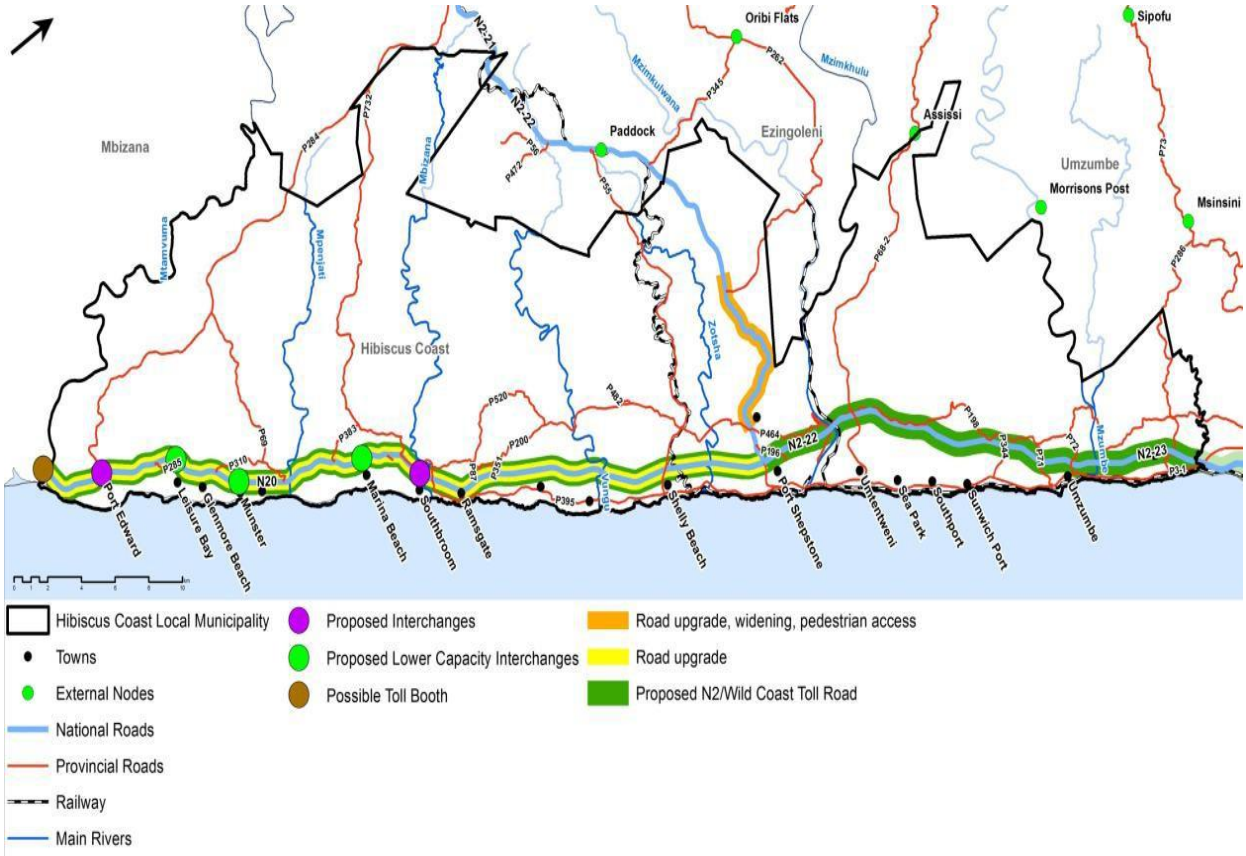
3.2.3.2 SANRAL New/Improved Infrastructure Projects

N2/R56 (P416) intersection on western Ugu boundary to be upgraded to an interchange, planned for within the next two years.

Road tolling: The proposed N2 Wild Coast will follow the existing N2/ N20. Two full interchanges at Port Edward and Trafalgar, lower capacity interchanges (1/4 links) at Marina Beach, Munster and Leisure Bay and number of lanes etc. to be phased in over time. Type of toll booths uncertain currently – likely to be a mix of normal booms and electronic tolls – depends on many factors. No new toll booths (in Ugu), new toll booths north and south of Ugu boundaries (Source: Dave McFarlan).

MOVEMENT LATTICE (SANRAL PROJECTS)

Map 30: Movement Lattice



Source: HCM SDF 2012

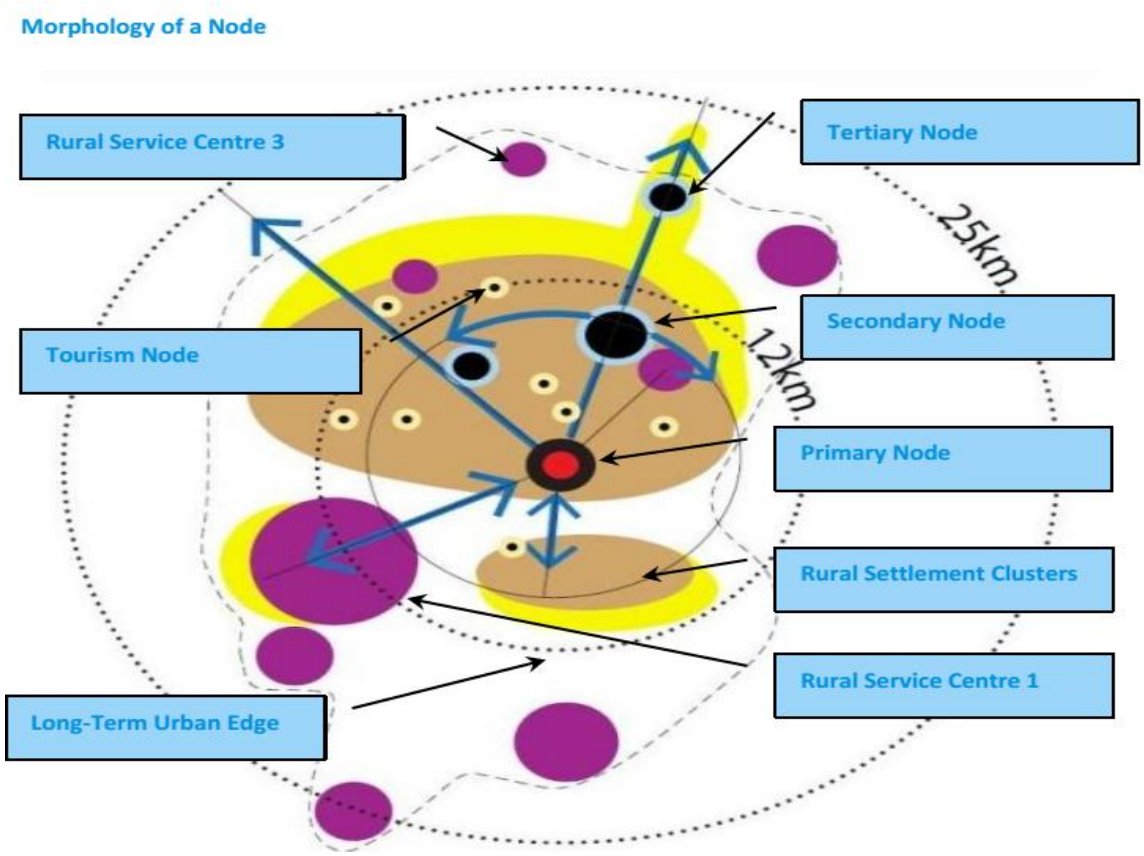
3.2.4 Spatial Restructuring Elements

System of Activity Nodes

The main issues facing Hibiscus Coast Municipality is poor settlement pattern, which manifests in the form of the dominance of small towns as a regional service centres and economic hubs, as well as the expansive farming areas and a general rural character of the area. The net effect of this is the inability to decentralise and coordinate service delivery at a localised level. As a means to address this, there is a need to facilitate the evolution of a system of nodes incorporating primary, secondary, tertiary/ incipient and rural service nodes.

An activity node is a place of high accessibility onto which both public and private investments tend to concentrate. The nodes identified within the municipality are primarily located along the coastal strip with a number of Activity Points located within the hinterland.

Illustration 4: System of activity Nodes



Primary Node

Port Shepstone, Shelly Beach and Margate are regarded as the main urban centres within the Hibiscus Coast Municipality area of jurisdiction. It is strategically located at the central parts of the district and it plays an important role as a regional centre for district. It has a good potential as a primary node for investment promotion and centre of supply of services in the district.

Port Shepstone is the main commercial centre and the major location of employment. There has been a gradual change in rural settlement patterns, from a much dispersed scattered settlement pattern to a concentration of residential sites around the access roads. It forms part of the provincial spatial systems and is identified in the PSDP as one of the economic hubs. This node has administrative, social, and economic potential and there is provision of concentration of different activities of services.

As a regional node, the following activities should be strengthened in these towns:

- Location of district and sub-district offices of various government departments and serve delivery agencies.
- Location of facilities and services for an effective administration.
- Industrial development, focusing mainly on the processing of raw materials produced within the sub-region.
- Location of public facilities serving the whole sub-region and beyond. These may include district hospital, sports facilities and transportation facilities.

Secondary Nodes

There are six (6) secondary nodes:

- Port Edward,
- Hibberdene,
- Uvongo,
- Munster,
- Ramsgate, and
- Marburg.

These nodes currently function as the main urban centres for the HCM that they serve. Similar to the primary node, these areas are well located within the main transportation routes that connect these nodes with various settlements within HCM area of jurisdiction. As a sub-regional node the following activities should be strengthened in these secondary nodes: Development of commercial activities serving the whole local municipal areas and the surrounding areas (sub-region).

Light Industrial development, focusing mainly on the processing of raw materials produced within the sub-region and the neighbouring areas – agri-processing centre. Location of public facilities serving the local municipalities. These may include sports and transportation facilities. Location of facilities and services for an effective administration and local governance of the municipalities. The peri-urban area of Murchison Bhobhoyi is a dense settlement along the N2. This area needs formalization in terms development planning so as for easy provision of services to the community.

Tertiary Nodes

While the primary and secondary nodes serves as a regional and sub-regional centres, at least eight (8) other areas present an opportunity for the development of tertiary nodes with much less threshold/sphere of influence, namely:

- Umtentweni,
- Southbroom,
- Anerley,
- Umzumbe,
- Sea Park,
- Oslo Beach,
- Glenmore Beach, and
- Izotsha.

Three main factors have influenced the selection of these areas, that is:

- Location in relation to major access routes.
- Secondary nodes are located either along a primary or secondary corridor, or at the intersection of the primary and secondary corridors.
- Location in relation to large rural or urban settlements, which provides a threshold for services, rendered from these areas.

Development potential based on the above two factors, and broad overview of the historical development of the areas as well as the current level of development. Spatial development in these nodal areas should focus on transforming the area into a mixed land use area, and a viable service centre developed with social, economic and other facilities.

Rural Service Nodes

In addition to the tertiary nodes, the vision for the future spatial development of HCM makes provision for the development of community centres within a cluster of settlements. These small centres will serve as location points for community facilities serving the local community such as:

- Primary and secondary schools.
- Clinics including mobile clinics.
- Pension pay points.
- Community halls and other community facilities.

There are no foci that operate as Rural Service Centers at this stage, but some Activity could be upgraded to perform this role. The location of these nodes is usually the most accessible location within an acceptable walking distance of a particular community.

These were identified in Nyandezulu, Thongazi (Kwa Nzimakwe), and Gcilima (Kwa Xolo) and St Faith's area (Kwa Madlala) where MPCC's have been or are in the process of construction. These areas have potential for the location of multi-purpose community centres (to include clinics, AIDS support services, library, adult education and skills training and computer facilities). Major capital investment is not required and by making use of alternative approaches, including mobile structures (containers or prefab construction) and providing only essential infrastructure, combined with periodic service delivery and markets, the potential of centres to fulfill a rural service function can be tested efficiently and at relatively low cost. Approaches to attracting private sector investment to these nodes must be further considered.

3.2.4.1 The Logic of Investment Centers and Activity Structure

The SDF provides that:

- **KWAMADLALA SEMI RURAL VILLAGE NODE** is serviced by local level services and contains array of social and administrative facilities such Thusong Centre, array of educational facilities, sport fields and Department of Environmental and Agriculture. KwaMadlala needs development of commercial activities to be located along road D944 to contribute to the range of public facilities. A detailed precinct plan is required to prepare and plan the Madlala nodal development plan which will result in upgrading of the existing roads and upgrade in bulk services.

- **OSHABENI (VUSUSHABA) NODE** is a proposed semi – rural village node is located along P68 that runs from Umtentweni through St Faiths to Oshabeni which is located in ward 4. This node will be formed around Vusushaba area and it should be developed as an Activity Point for the surrounding settlement. There are existing public facilities however there is a potential to develop and provide additional and upgraded public and other facilities that will provide surrounding communities.

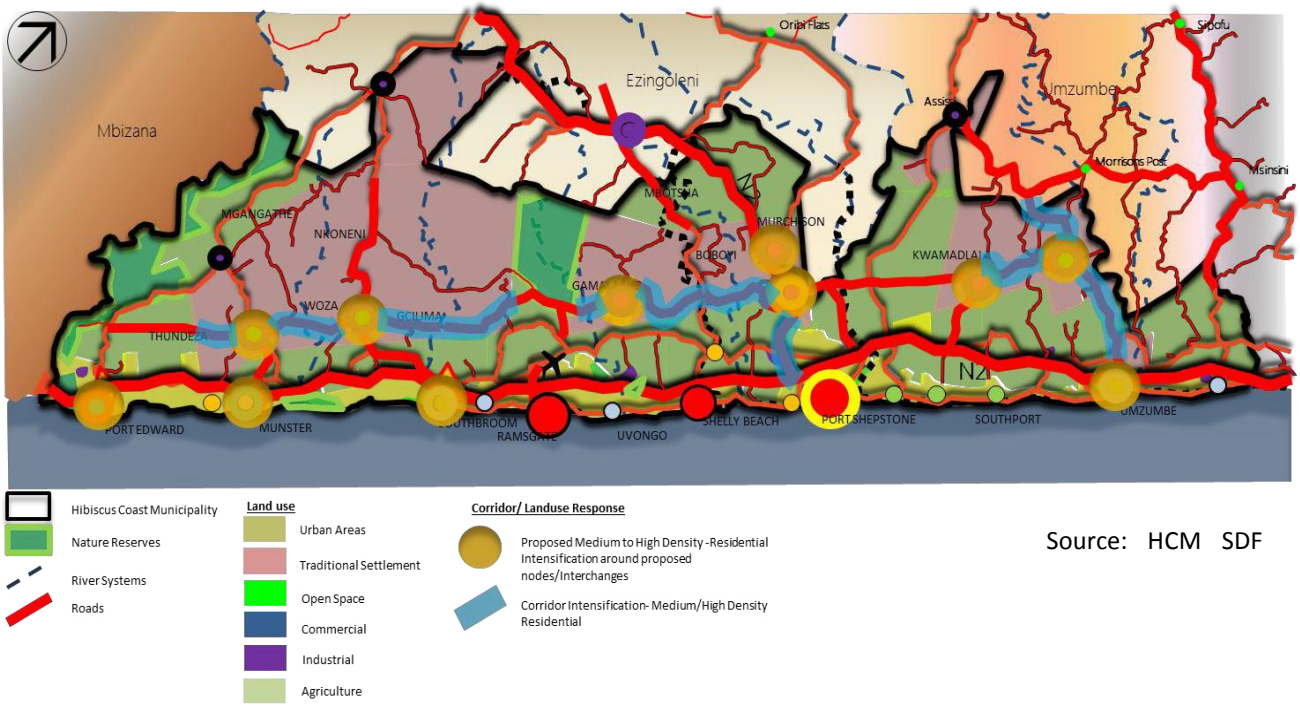
- **KWABHAMBULA (NZIMAKWE)** The proposed corridor inKwaBhambula will be located along P69 as an activity street that will consist of mixed use development on boh sided of the road. The current existing development along P69 is rural residential settlements and informal shops and a taxi rank that needs to be upgraded. An activity streets incorporate both the land use along the spine road, as well as the spine road of a 'mini corridor' with local significance KwaMqadi Rural Village Node is located in Gcilima location along P732 corridor. Currently this road is being upgraded by DOT and the proposed node will be effective once the upgrade is completed. The existing mixed use development includes taxi rank small local shops. The proposed node should serve as an Activity point with a local taxi rank that needs to be upgraded. The concentration of infrastructure mix network will support this nodal development thereby introducing a corridor that will run along the road.

- **MURCHISON/BOBOYI** is a rural node with an array of social facilities. This node is characterised by dense rural settlement patterns. This node forms part of the tourism corridor to the Oribi Gorge, the proposed nodal development is assumed to be following the linear pattern along the Main Harding Road. SANRAL is currently upgrading the road. This will improve movement network and access to social facilities. The development and location of social facilities, commercial activities and various government departments will limit influx of traffic and people to the Port Shepstone CBD.

- **BHOMELA/BETHANI NODE** is located in ward 25 along P55 providing a linkage from Shelly Beach. This is an active corridor linking HCM to Paddock. There is a need for provision of different land uses development along this road, land uses such the service station, commercial, industrial that will attract more of the emerging urban settlement type of housing in Bhethani.

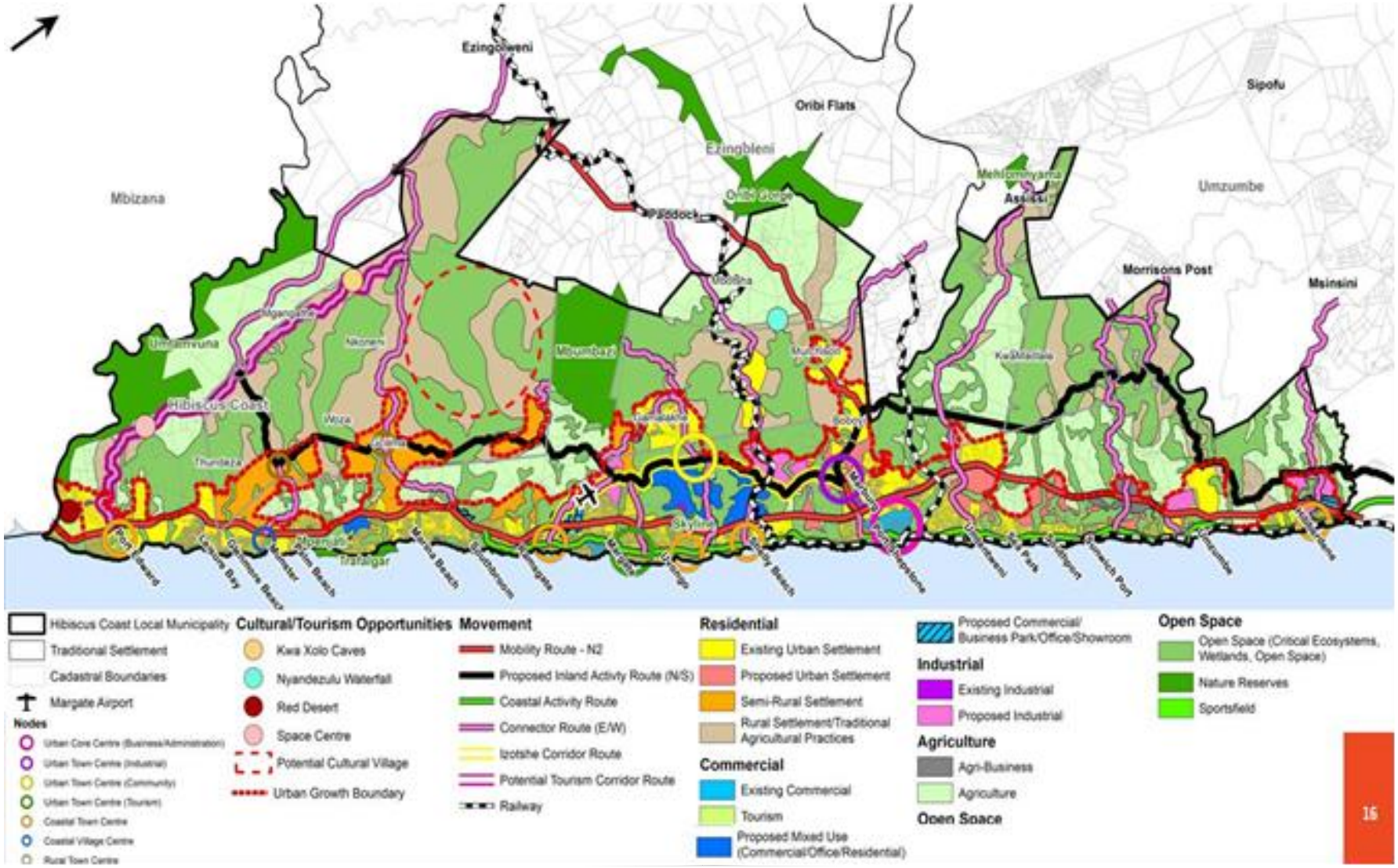
- **GAMALAKHE URBAN TOWN (COMMUNITY)** is located in land of St Michaels/Uvongo area, abutting road P200 that will also form part and continuation of the proposed inland connector route N/S. There is Ugu Sport and Leisure Centre at close vicinity of intersection of road P200 and St Michaels Road (D202). This node is currently vacant however this area has the potential location of mixed development such as residential, commercial, offices and conference facilities The development of Gamalakhe Node has the potential of forming up as a tourism corridor to Gamalakhe as it's the one of formalised township that tourists will likely to visit that will be inclusive During this review councillors and traditional leaders were consulted on the proposed initiative. Consultation process and planning participation will be carried out with the Amakhosi, ward committees and the general public with regards to developing local area plans for the abovementioned nodal and corridor development.

Illustration 5: Potential Gamalakhe node



Source: HCM SDF

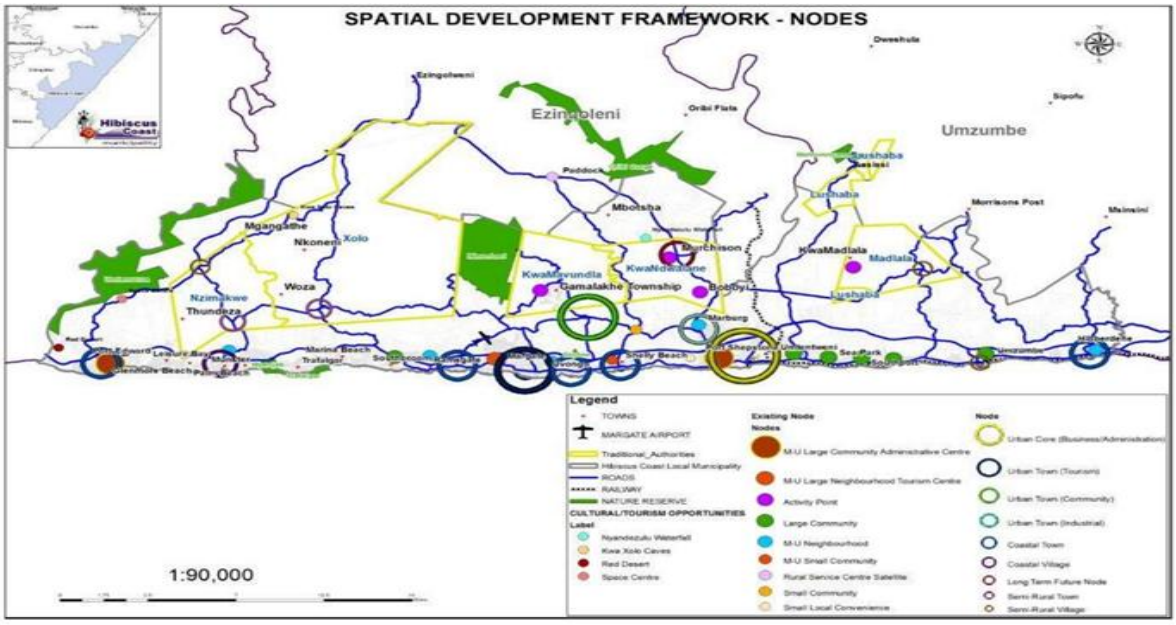
Map 31: Logic of Investment centers and Activity Structures



Long- Term Future Nodes

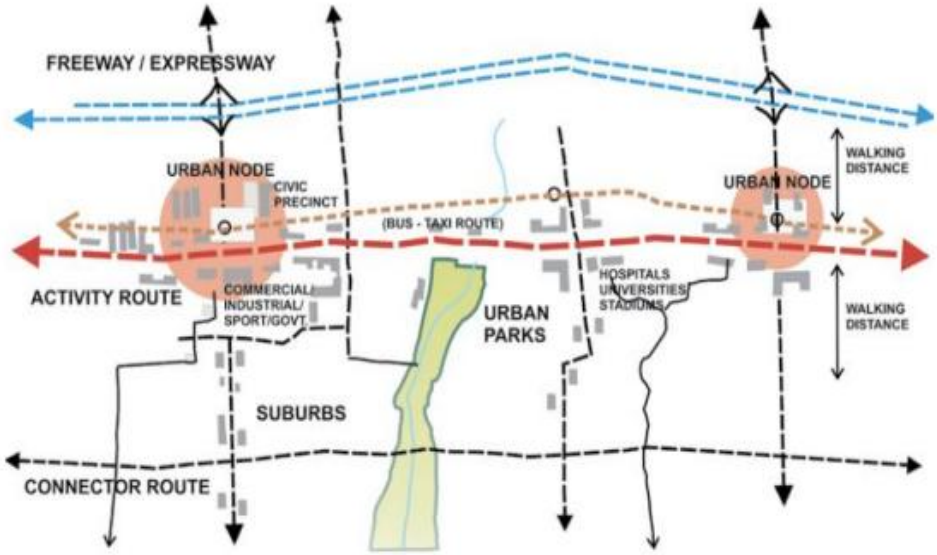
The investment into any Long Term Future node in the short-term will be premature. These nodes need to be re-evaluated over time once the inputes of the Proposed Inland Activity Corridor, as well as the numerous East/ West links have been achieved. The restructuring of the Municipality, overtime, might indicate the development of other areas which have not been identified through this process.

Map 32: Spatial Development Framework



3.2.4.2 Hierarchy of Development Corridors

Illustration 6: Spatial Development Framework - Nodes





The proposed Hibiscus development corridors are as follows:-

N2-National Corridor

The N2 is the primary north-south linkage and it links Port Shepstone in the South with Durban in the North. The N2 also links Port Shepstone with Kokstad as an east-west linkage. The section of the N2 which runs in the north-south direction up to Port Shepstone is of freeway standard, and comprises of 4 lanes, 2 lanes in each direction for most parts. The N2 is regarded as a generator for growth, particularly between Port Shepstone and Harding. This is the main high level limited access mobility road and is component part of the Provincial "Corridor" system. Interchanges link this road to the Regional major arterials that give access to both formal urban settlements and most of the informal settlement clusters that occur mostly within Traditional Authority areas. The Primary Corridors identified provide public transport linkages and accessibility to the communities at the interceptory points with other movement channels. A range of development opportunities are envisaged along these channels. The N2 is identified in the NSDP as a national corridor, and is recognised as such (strategictransport route) in the PSDP. Therefore, the N2 is a high speed limited access road providing access and inter-nodal connections at a national and provincial level. The N2, in both a north/ south and east/ west direction, providing mobility routes. The north/ south routes provide the high friction lattices, namely the P395, P 3-1.

Inland arterials are identified as the P200, P482 and the P198. A set of east/ west roads connect the coast to the interia. The prominence of this line is limited to freight and is not utilised for passengers. The N2 running along the coast linking the coastal towns is a major structuring elements within the Municipality. This link provides the primary north/ south movement lattice through the study area. Secondary north/ south link can be identified as the P395 which runs along the coast from the north until Ramsgate, as well as a less prominent inland route running from north to south which is made up of the P198, P464, P482 and the P200. Therefore, there is no major linkages exist inland of the N2. In an east/ west direction the N2 between Port Shepstone and Harding is the primary link with a number of secondary supporting routes. It is a tourist route to the major tourist destinations in Eastern Cape. Development along this route should occur as follows:

- The N2 links the Hibiscus Coast with Scottsburg, Durban airport and the Metropolitan area of eThekwini to the North. Moreover the rail and air transport (Margate Airport) also serve as the primary corridors in the municipality as these play a major role in the promotion of tourism

- Facilitate the establishment of mixed land use activity nodes at the intersection of the N2 and the regional or provincial routes. Activities that may locate in these areas include logistics, warehousing, light industry and commercial facilities.
- In the short to medium term, high value agricultural land located along the corridor should be protected, but in the long term, strategically located areas abutting onto the mixed land
- use nodes should be opened for development as mixed land use precincts. Compliance with the policies and regulations introduced by the South African National Roads Agency (SANRAL).

R61-Primary Regional Corridor

R61 are the provincial routes that link HCM with external significant nodes such as Kokstad, Port Edward and Mount Fletcher. Secondary to the N2, this route serve as a main link between the Eastern Cape Province and KwaZulu-Natal Province. These are identified in the Provincial Spatial Development Plan (PSDP) -Eastern Cape as some of the Strategic Transport Routes. Due to the current settlement patterns and population distribution, R61 has attract a lot of settlement and establishment of business uses dependent on accessibility and population concentrations. The ongoing densification along this route is resulting in R61 fulfilling the role of a residential access road. High Public Transport usage (with a lack for such provisions in the present road design), hi gher pedestrian movements along and across the route, high animal concentrations and insufficient fencing along this route are all factors contributing to this route being extremely dangerous to both motorists/commuters and residents. Development along R61.

Development Corridor should follow the following guidelines:

- R61 is a regional limited access and high speed public transport route; as such direct access onto this road should be subject to the provincial road transport regulations.
- Higher order land uses should be accommodated in the nodes, but lower order land uses could develop in a linear fashion subject to alternative access opportunities; and
- A 15m buffer should be observed from the boundary of the road reserve. This has implications for settlements that have encroached onto the buffer areas.

R102- Primary Tourism Corridor

Some of the main provincial roads within the study area include the R102, The R102/R61 is termed the 'beach road' and it runs in the north-south direction along the coast, linking the various coastal towns. The provincial roads are predominantly in the east -west direction and provide high levels of accessibility linking into the minor arterials. This network of provincial roads functions as primary transport corridors. The regional road network can be classed into either surfaced (blacktop) or un-surfaced (gravel), which can be further classified into a north-south link or an eastwest link. There are also District Roads. The district roads provide major internal linkage,linking schools, clinics etc. A problem that faces the municipality is the alignment of KZNDOT implementation projects with that of the municipality's implementation projects.

Primary Corridors

The role of the R620 (Old Main Road) that runs from Hibberdene along the coastline as far as Ramsgate as a Primary Tourism Corridor is to be maintained and strengthened. Along this corridor there are various tourism attractions such as swimming beaches and commercial nodes. Secondary Tourism Corridors - The Secondary Tourism Corridor (inland) is to encourage the spread of tourist facilities to the inland component of the Municipality. This corridor has potential to unlock tourism and business potential of the area. The sustained development of tourism facilities is dependent on the capacities of supply services networks, and it is essential that the IDP's capital development programme is aligned to the tourism elements of the SDF. The basic services backlogs need to be addressed. Secondary corridors need to be improved in order to give access to inland areas. In order for the tourism sector to grow, the tourism corridors need to be maintained and strengthened. The implication of the substantial Ingonyama and state-owned land is that many inhabitants do not have independent tenure rights and this impact on participation in the economy.

Secondary Corridors

A corridor serving areas of high poverty levels with good economic development potential within one or two sectors. There are a number of very important inter-and intra-roads within Municipality which should be defined and linked to function and activities. Therefore Port Shepstone – St Faiths – and Ixopo corridor was identified as a secondary corridor with agriculture and tourism playing a significant role. This Secondary corridor needs to be improved in order to give access to inland areas. In order for the tourism sector to grow, the tourism corridors need to be maintained and strengthened. The implication of the substantial Ingonyama and state-owned land is that many inhabitants do not have independent tenure rights and this impact on participation on the economy. In order to improve accessibility to the inland areas and to create potential inland tourism routes, Main and District.

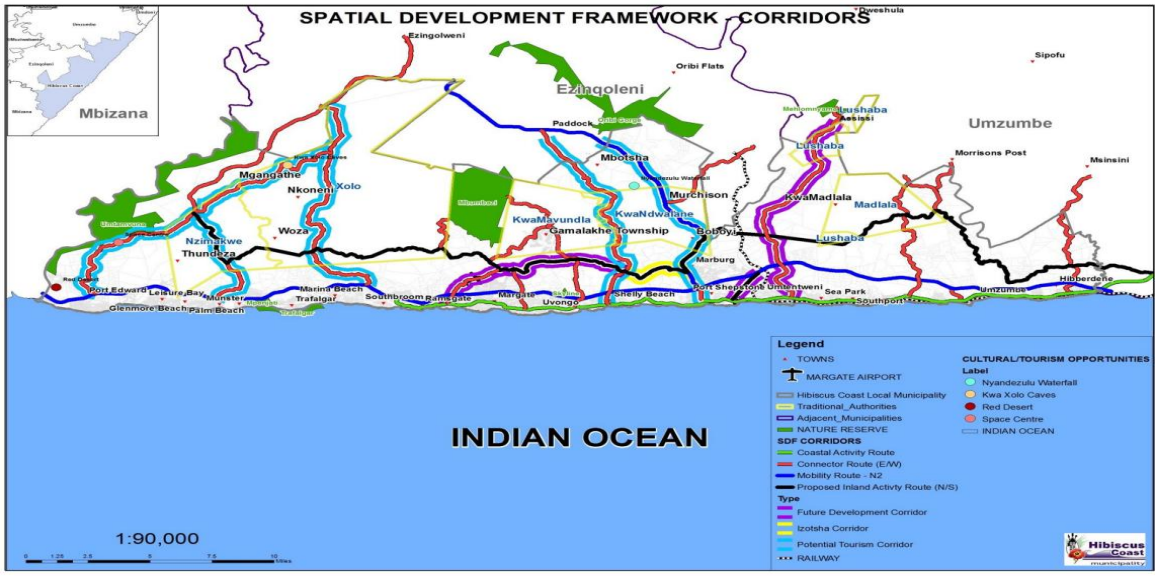
Roads have been highlighted for upgrading and regular maintenance as Secondary Corridors. The rural character of the area and proximity to the major economic opportunities in the HCM, make the area attractive for residential and tourism development. Although it would be impossible to develop the total corridor, emphasis should be given to certain sections of the road. The type of activity should focus on tourism, arts and craft, recreational, hospitality and environmental related activities. This road based public transportation spine can be considered the most valuable asset contributing to the development potential of the settlements close by, enabling the development of higher-density and mixed land uses. To ensure land use and transportation integration which need to be integrated with the surrounding land uses. Although specific areas have been identified for corridor development along the respective routes, some tourism activities could be established along the routes, subject to legislative and technical requirements.
These principles also provide a guide to other planning initiatives: Secondary Corridors should be planned and developed to: Support and facilitate development and investment that contributes to the economic and social vitality of the Corridor and adjacent neighbourhoods.

Promote and support development which enhances and respects the character of existing neighbourhoods where appropriate and creates vibrant, dynamic, and liveable urban places through high quality urban design. Develop compact, mixed use urban environments that support transit and active transportation. Promote and support an innovative sustainable built environment that uses resources efficiently and encourages a high quality of life. Identify areas of change as the locations for new development.

Tourism Development Corridor

Another, Potential Tourism Corridor Route is located along the Port Edward to Ezingolweni East/ West link. The Route consists of a number of Cultural and Tourism Opportunities such as the Red Desert, The Umtamvuna Nature Reserve, the Space Centre, KwaXolo Caves. A cultural village is proposed in support of the tourism activities along this route. This will be subject to further economic studies to test its feasibility but essentially the intension is to draw tourists that will travel to the Mbubazi Nature Reserve through this area and secure much needed local economic development opportunities. This proposed Tourism Corridor Route presents a unique opportunity for the southern extremity of the Municipality, creating new cultural and tourism opportunities.

Illustration 7: Spatial Development Framework - Corridors



Source: HCM SDF 2012

3.3 Land Use Management Framework

3.3.1 Land use management

The Municipality is currently in the process of consolidating and upgrading all Town Planning Schemes incorporating both Urban and Rural components. The rationale behind this is to have one single, uniform updated scheme for the entire Municipality.

3.3.2 Guidelines for schemes

Previously, the Municipality had only 5 schemes in place, namely Hibberdene, Port Shepstone, Margate, Mpenjati, Umtavuma and Gamalakhe. The Municipality has recently expanded the scheme to cover the entire Municipal area. Currently, the Municipality has 16 Schemes in place which became effective from 07th November 2014 and are namely:-

1. Hibberdene
2. Umzumbe, Melville and Pumula
3. Bendigo, Sunwich Port, Anerley, South Port and Sea Park
4. Umtentweni
5. Port Shepstone
6. Marburg, Port Shepstone, Merlewood, Bhobhoyi, Protea Park and White City
7. Shelly Beah
8. Uvongo
9. Margate
10. Ramsgate
11. Southbroom
12. Marina Beach, San Lameer and Trafalgar
13. Palm Beach and Glenmore North
14. Glenmore South and Leisure Bay
15. Port Edward and Banners Rest
16. Gamalakhe

One of the key tools by which land use is to be managed is through the formulation of the wall-to-wall scheme[s] as prescribed by Chapter 2 of the KwaZulu-Natal Planning and Development Act (No. 6 of 2008). The purpose is to provide a statutory and regulatory instrument from which site-level decisions are made by municipalities.

Chapter 5 of the Spatial Planning and Land Use Management Act (No. 16 of 2013) states the need for municipalities to adopt and approve a single land use scheme for the entire municipal area, after public consultation has occurred.

The PDA intends to:

Provide for the adoption, replacement and amendment of scheme; to provide for the subdivision and consolidation of land; to provide for the development of land outside schemes; to provide for phasing or cancellation of approved layouts plans for the subdivision or development of land; to provide for the alteration, suspension and deletion of restrictions relating to land; to establish general principles for the permanent closure of municipal roads or public places; to provide for the adoption and recognition of schemes, to provide for compensation in respect to matters regulated by the Act, to establish the KwaZulu-Natal Planning and Development Appeal Tribunal; to provide for provincial and development norms and standard; and to provide for matters connected therewith. "

The KZNPDA also includes the following applications that cannot be considered if there are not in line with the Municipal IDP and or SDF namely;

- Chapter 2: Scheme Amendment
- Chapter 3: subdivision and consolidations
- Chapter 4: development of land outside the area of a scheme and the the Municipality is currently in the process of compiling Rural Land Use Management Scheme (LUMS) for areas currently not covered by the scheme. The development of the Rural LUMS will cover the following areas:
 - KwaMadlala;
 - Oshabeni;
 - Nzimakwe (Bhambula);
 - KwaXolo; and
 - KwaMqadi

The SDF has put forward guidelines for the development of the scheme which are indicated in the table below. These guidelines take into account the principles of the upcoming wall-to-wall scheme.

Table 57: Guidelines for Scheme Formulation

Parent Zone	Possible Zone	Statement of Intent	Scheme Approach	Existing and Future Land Use
		agricultural use or development and certain agriculturally related activities will be subject to prior assessment.		
Environmental Service Zones	Active Open Space Private Conservation Public Open Space	Areas that provide environmental and recreational services that are essential to the sustainable Development of the Municipality. These include areas requiring preservation and conservation as they provide ecosystem services, are unique natural landscapes, viewpoints, areas of ecological, historical and/or cultural importance, biodiversity, and/or have unique, rare or endangered habitats or species.	Given the environmental sensitivity of these areas and their importance to the sustainable development of the area a more prescriptive approach to land use management would be required.	Recreation Cultural Gas regulation Climate regulation Disturbance regulation e.g. flood control Water regulation Water supply Erosion control Soil formation Nutrient cycling Waste treatment Pollination Biological control Refugia i.e. habitat for resident and migratory population e.g. nursery for fish. Food production Raw materials Genetic resources
Coastal management	Coastal management Sea shore	Provides for the management and development of land located within the low and high water mark, as	Given the environmental Sensitivity of the coastal strip a more prescriptive	Recreation Park Beachfront

Parent Zone	Possible Zone	Statement of Intent	Scheme Approach	Existing and Future Land Use
Mixed Use Zones	Core Mixed Use Zones Medium Impact Mixed Use Zones Low Impact Mixed Use Zones Suburban Office Zones	Areas that provide for a range of business, commercial and office uses; and may include residential with varying degrees of mix. Uses are compatible and generally do not breach the level of amenity contemplated by the zone.	Development pressure will ultimately be greatest in these nodes thus a more prescriptive approach is required.	Business Commercial Workshop Garage Hotel Guest Lodge Launderette Parking Garage Professional Office Public Office Restaurant Service Industrial Building Service Station Shop Storage Warehouse
Industrial Zones	Medium Impact Industry Zone Low Impact Industry Zones Quarrying and Mining Zone	This zone will be used to designate and manage a range of industrial activities – from light industrial with limited impact on surrounding land uses to hazardous or noxious industry with high-impact and must be separated from other uses. This set of zones would include agricultural industry.	To promote a mix of industrial uses that provides the Municipal area with a sound, diverse industrial base. To promote high standards of site planning and landscape design for industrial developments within the Municipal area.	Business General Industrial Building Light Industrial Building Professional Office Service Industrial Building Storage Warehouse Wholesale Warehouse Professional Office
Civic and Social Zones	Education Zones Institutions and Worship Zones Public Buildings Zone	To provide appropriate areas for civic and social facilities, and public offices for public administration or government functions, including education, health, pension offices,	To provide social facilities and services across different parts of the municipality.	Crèche Dwelling House Educational Building Residential Building Educational Building



Parent Zone	Possible Zone	Statement of Intent	Scheme Approach	Existing and Future Land Use
	Utility Facility (Reservation)	museums, libraries, community halls, prisons, juvenile facilities, cemeteries and crematoria. To provide for uses and buildings associated with public and private service providers.		Institution Veterinary Clinic Retirement Village Place of Worship Place of Public Assembly
Residential Zones	Residential Only Zones Residential Medium Impact Zones Residential High Impact Zones Tourist Residential Zone Imizi/ Rural/ Transitional Settlement (RTS) Zone	To provide a range of dwelling unit densities (i.e. low-density estate, single-family detached and attached, multi-family, and housing for special needs) which meet the diverse economic and social needs of the residents, and which are consistent with the Integrated Development Plan and appropriate standards of public health, safety, welfare and aesthetics;	To protect the amenity and the integrity of the various residential neighbourhoods and zones from undesirable land uses and activities.	Dwelling House Agricultural Land Residential Building Home Garden Medium Density Housing Bed and Breakfast Boarding House Guest House Guest Lodge Hotel Private Recreation Area Self-Catering Units or Rooms Boarding House

Parent Zone	Possible Zone	Statement of Intent	Scheme Approach	Existing and Future Land Use
		defined in the Sea Shores Act, along the coast including, inter alia, bathing, shore angling, deep-sea angling, jet skiing, surfing, boogie boarding, kite-surfing, construction of tidal pools and the erection of shark nets. The purpose of the zone is to ensure that permitted activities do not impact negatively on ecosystems, marine and coastal, fauna and flora, within these areas.	approach to land use management would be required.	Private Beach
Transport	Roads Road reserves Railway line Landing strip Bus and taxi rank Railway station Public parking	The provision of land for the full range of road infrastructures within rural and urban areas to ensure an optimal road transport network can be constructed and maintained.	Regulations with respect to roads will focus on issues of access onto roads and the use of road reserves for trading on some areas. Regulations relating to taxi and bus ranks would need to be specific to these uses and more prescriptive as these uses can have a high impact on neighbours.	Existing Roads Future Roads Taxi/Bus Rank

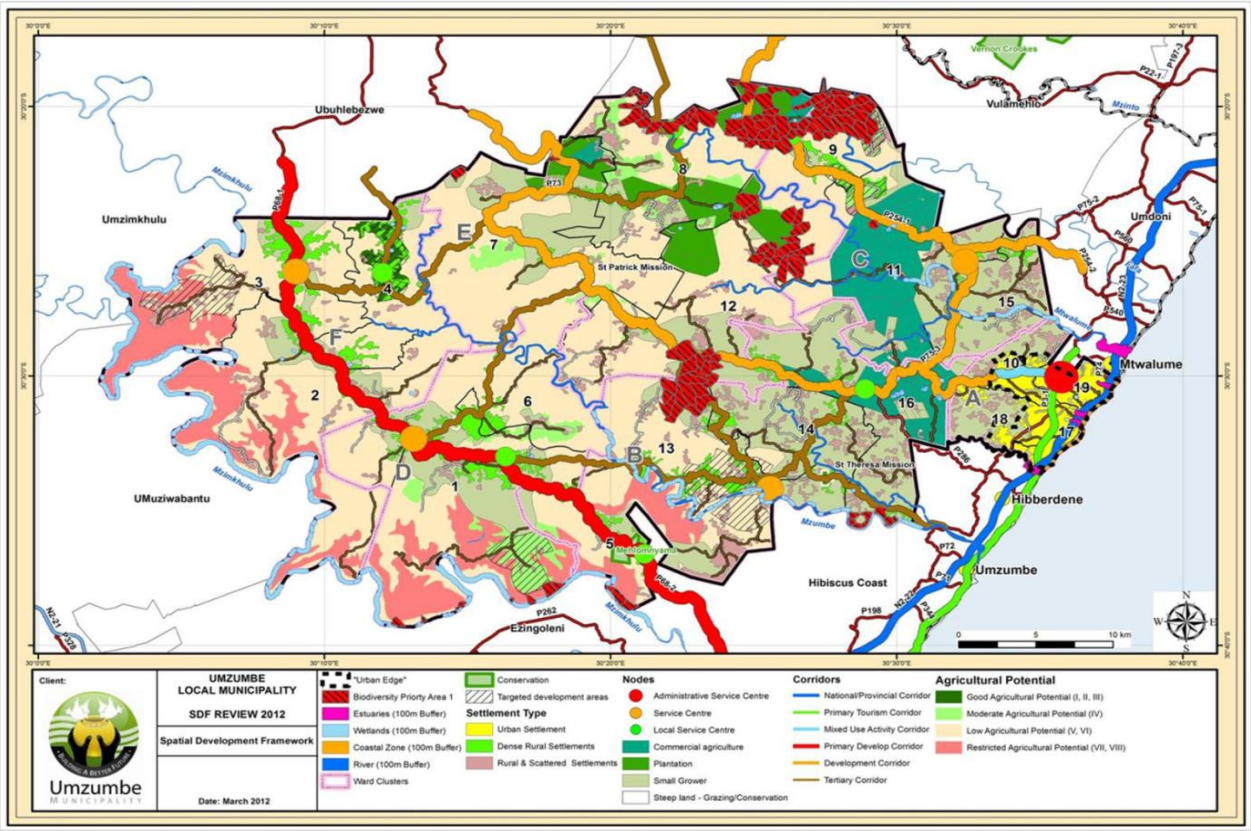
3.3.3 Cross Border Alignment

Alignment with adjoining Municipalities

The Hibiscus Coast Municipality is adjoined by three other local municipalities, namely:

- Umzumbe municipality
- Ezinqoleni municipality
- Mbizana local municipality (Eastern Cape)

Map 33: Umzumbe LM



Development Corridors: the road P68-2 serves as the major corridor that links Umtentweni - St Faiths – Ixopo. The PGDS mentions that this is a tertiary development corridor that will in full operations once the implementation process is finalised.

P254 secondary corridor runs from Hibberdene to Umzumbe in an east-west direction. It provides access to traditional council areas such as Nyangwini to Qoloqolo. The Qoloqolo Development Nodes are all located along this road. This route provides access to some inaccessible parts of Umzumbe

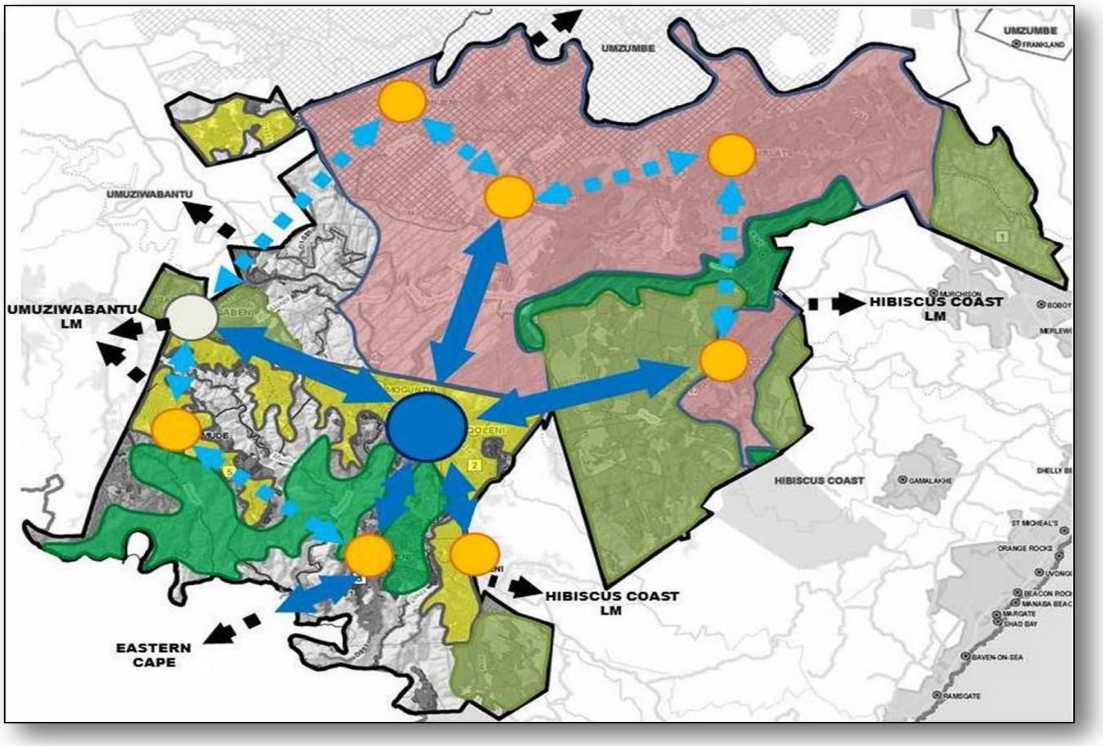
Cross Boundary Potentials: The Umzumbe SDF illustrates small grower and rural/scattered settlements along Ward 14 and Ward 18 area. The people who reside in these areas will use the connecting routes to access the N2 and to Hibberdene the nearest shopping complex before Port Shepstone.

Cross border Land use:

Ward 16 (a portion of land that is adjoining to HCM's boundary in –Hibberdene/Umzumbe traverse) that is accessed vide P286 is earmarked as "commercial agriculture" whist the HCM SDF has earmarked the land that is adjoining ward 16 as Agriculture". The Following are the different land uses under the "Commercial agriculture" as per the Umzumbe SDF: Sugar cane farming – small cane growers and commercial farming, Plantations,Grazing, Agri-business, Residential accommodation for farmers and staff, Ancillary agricultural buildings and Forestry. In terms of the Hibberdene Scheme, Agricultural Land means arable, meadow or pasture land, market gardens, poultry farm, nursery garden and land used for the purpose of breeding or keeping domestic animals, poultry or bees and include any buildings connected therewith, but excludes buildings connected with the housing of cats and dogs.

Hence this is to draw attention that what the two municipalities have proposed in not in contradictory to the other municipality

Map 34: EZINQOLENI LM

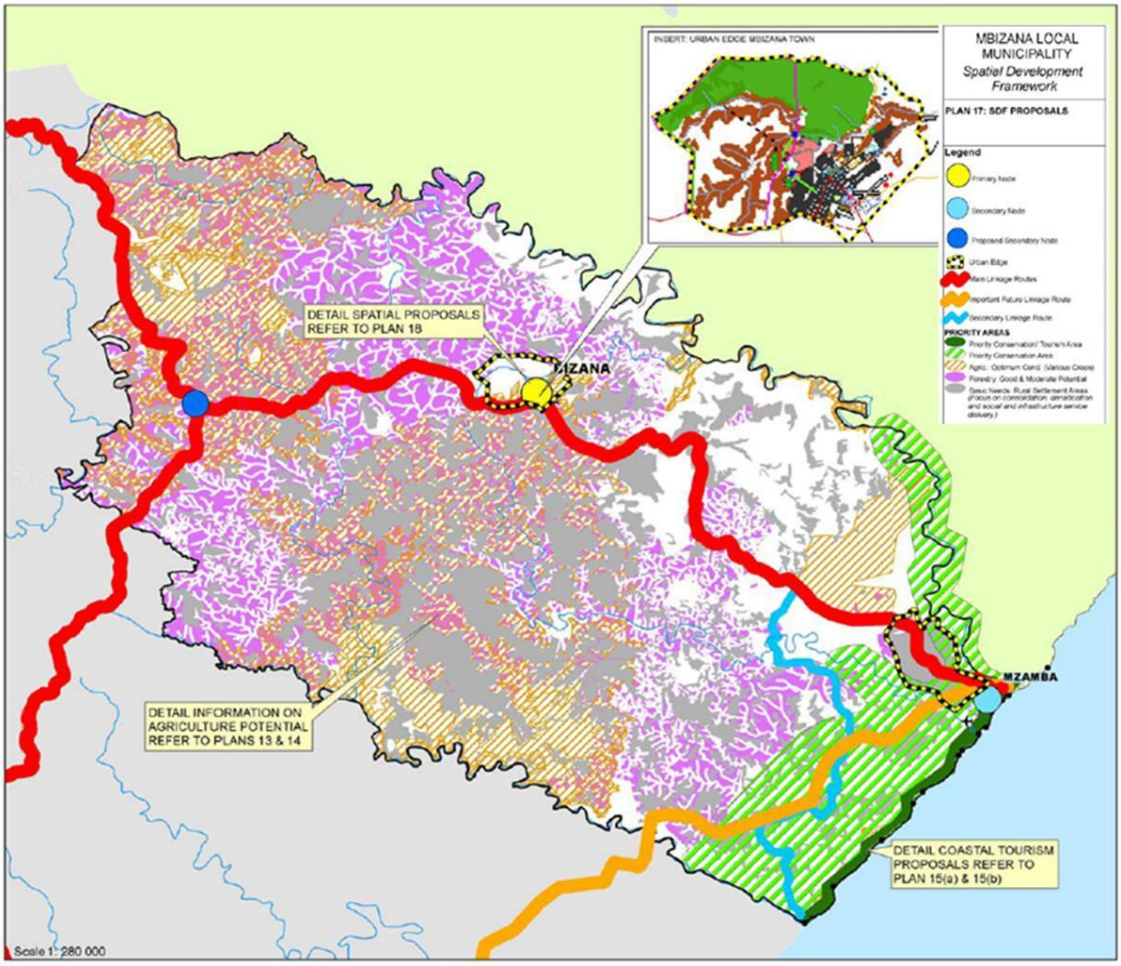


The above map shows the adjoining land uses in comparison to the Hibiscus Coast Municipality.

Development Corridors: P55 running from shelly Beach to Paddock serves a primary corridor into connecting the two municipalities, thereby this road needs to be upgraded to be used as a back route from the KwaMavundla Traditional Authority (Gamalakhe – qinabout area) to Paddock, this route can serve as a back road. P262 is the major connector route that joins Hibiscus Coast Municipality to Ezingolweni via Murchison to Oribi Gorge straight into Ezinqoleni.

Cross Border Land Use: The boundary line is an imaginary line that's traverses HCM and Ezinqoleni Municipality, however the adjoining land on the said municipalities enjoys the same identical natural vegetation namely agriculture and critical open space.

Map 28 : MBIZANA LM (Eastern Cape)



The above map is the latest SDF that was prepared in 2006 and the municipality advertised for consultants to prepare a new SDF which are in their final stage and the new SDF will be adopted at the end of May 2015.

Development Corridor: The N2 is a regional linkage from Port Edward to the Eastren Cape. This route serves as the Tourism from the Eastern Cape and Port Edward**.**

Cross-border Potential: Important future linkage road – Mbizana SDF identified the proposed N2 toll road that will connect Hibiscus Coast within Eastern Cape as an important future linkage road. This route is currently known as R61 and it is very important for both municipalities as it plays an important role for linking KwaZulu-Natal and Eastern Cape Provinces.

Cross-border Land Use: Priority conservation areas –Both municipalities share the declared nature reserve which is Umtamvuna. The SDF for Mbizana has recognize the importance of conservation within the area that covers the Umtamvuna area.

Agricultural optimal condition – Mbizana also identified agricultural opportunities within the border of this municipality and Hibiscus Coast.

3.3.4 Public participation

The SDF underwent various public participation consultation processes in which a schedule of the public participation meetings is tabulated below:-

Table 58: Public Participation

Item	Date	Venue	Time
HCM IDP Forum Meeting	06 March 2015	HCM Council Chambers	09h00
Ugu District Amakhosi Meeting	19 March 2015	HCM Council Chambers	10h00
Newspaper Advert	27 March 2015	South Coast Herald Newspaper	None
Planning Portfolio	01 April 2015	HCM Council Chambers	09h00
General Public Participation and Stakeholders Workshop	09 April 2015	Margate Community Hall	09h00

NB: Refer to the annexed Minutes and Attendance registers for proof

3.3.5 Securing the Natural Resource Base

A fundamental starting point for the SDF should be acknowledging, protecting and enhancing the natural assets of the Hibiscus Coast Local Municipality. The plan provides the essential basis of the framework and describes a range of landscape types which illustrates the fragile landscapes i.e. the endangered and critical ecosystems and encompasses the steep areas within the municipality. It also identifies areas where there is inherent tourism potential such as the four nature reserves within the Municipality.

The municipality contains critical and endangered ecosystems. These occur throughout the municipality and in some parts occur within existing built up areas such as the areas along the coast and within the Traditional Authority areas. The implications for development are that certain activities within these areas require environmental authorisation from the relevant environmental authorities and may be subject to an offset requirement. Whilst the ecosystems do not prohibit development, the proper processes would need to occur should any new development within these areas are proposed.

Integral to the structure of the municipality is a series of east and west river systems. These rivers and associated buffers are important generators of the ecosystem and therefore as indicated in the environmental assessment, the corridors and buffer zones must be maintained as far as possible. The rehabilitation of these systems would prove desirable, especially in conjunction with supportive development as it would add value to future development.

Four nature reserves are located within the municipal boundaries. The two large nature reserves are the Mbumbazi and the Umtamvuna whilst the two smaller reserves such as the Skyline and Mpenjati are located along the N2. These reserves are ideal as they provide tourism related opportunities in particular the two nature reserves which are strategically located in the periphery. This would facilitate the movement of people through the municipality in particular the traditional/ rural areas and promote a corridor of opportunity for small and medium entrepreneurs inland. In order to achieve this, a clearly defined route that connects people from the urban to conservation areas must be established together with tourism led marketing and business opportunities for people particularly living along this route.

Apart from the nature reserves identified within the municipality, two other significant protected areas located just outside the municipality boundary are the Oribi Gorge and Mehlomyama Nature Reserve. These two, combined with those located within the Hibiscus Municipality offer ample tourism led opportunity within this area. (See map that follows)

Map 36: Conservation Areas



Source: HCM SDF 2012

Whilst the coastal zone contains spectacular Blue Flag beaches, estuaries and other natural assets, it is vulnerable to flooding. A conservation protection zone is proposed along the interface of the coast to protect existing dunes, vegetation and development that will directly impact on the coastal zone. The coastal zone should enable the rehabilitation of existing estuaries but also promote recreational areas for picnicking and recreational activities etc. Which does not impact negatively on the environment.

Combined with environmental preservation, natural and cultural places are equally important and promote significant tourism opportunity. There are three areas of natural or cultural interest within the Hibiscus Coast Municipality. The first is the Red Desert near Port Edward which is in the process of being proclaimed a protected area, the second is the KwaXolo Caves which contains rock art, and the third is the Nyandezulu Waterfall near Mini Village. These areas offer an added attraction for tourism development in the area.

In developing the Spatial Development Framework, a concerted effort was afforded to environmental conservation and cultural preservation of the area. The existing and new supportive development work with the environment and natural assets of the area is creating a synergy between environment, heritage and development and ultimately ensuring a sustainable municipality. (See map on the following page.)

The protected area, namely the Trafalgar Marine Protected Area (MPA), is situated on the coast of the Hibiscus Coast LM. There are also two large protected areas, namely Aliwal Shoal MPA and Pondoland MPA immediately north and south of the municipality. These areas not only conserve marine areas of high conservation value, but also support non-consumptive recreational activities, such as diving and whale watching, which contributes to the tourism sector of the municipality;

Special Management Areas - The Minister has the authority to declare (or withdraw) special management areas that are wholly or partially in the coastal zone and to prohibit certain activities from taking place within such a management area.

Coastal Set-Back Lines- The ICM Act makes provision for the establishment of coastal set-back lines to be drawn up to assist coastal managers and decision makers. Coastal set-back lines may be established for various reasons and there may be more than one set-back line in any given area. The intention of coastal set-back lines is to assist in controlling development along an ecologically sensitive or vulnerable area, or any area that poses a hazard or risk to humans. The establishment of coastal set-back lines is a provincial responsibility, but the MEC can declare such a set-back line in consultation with municipalities and interested and affected parties.



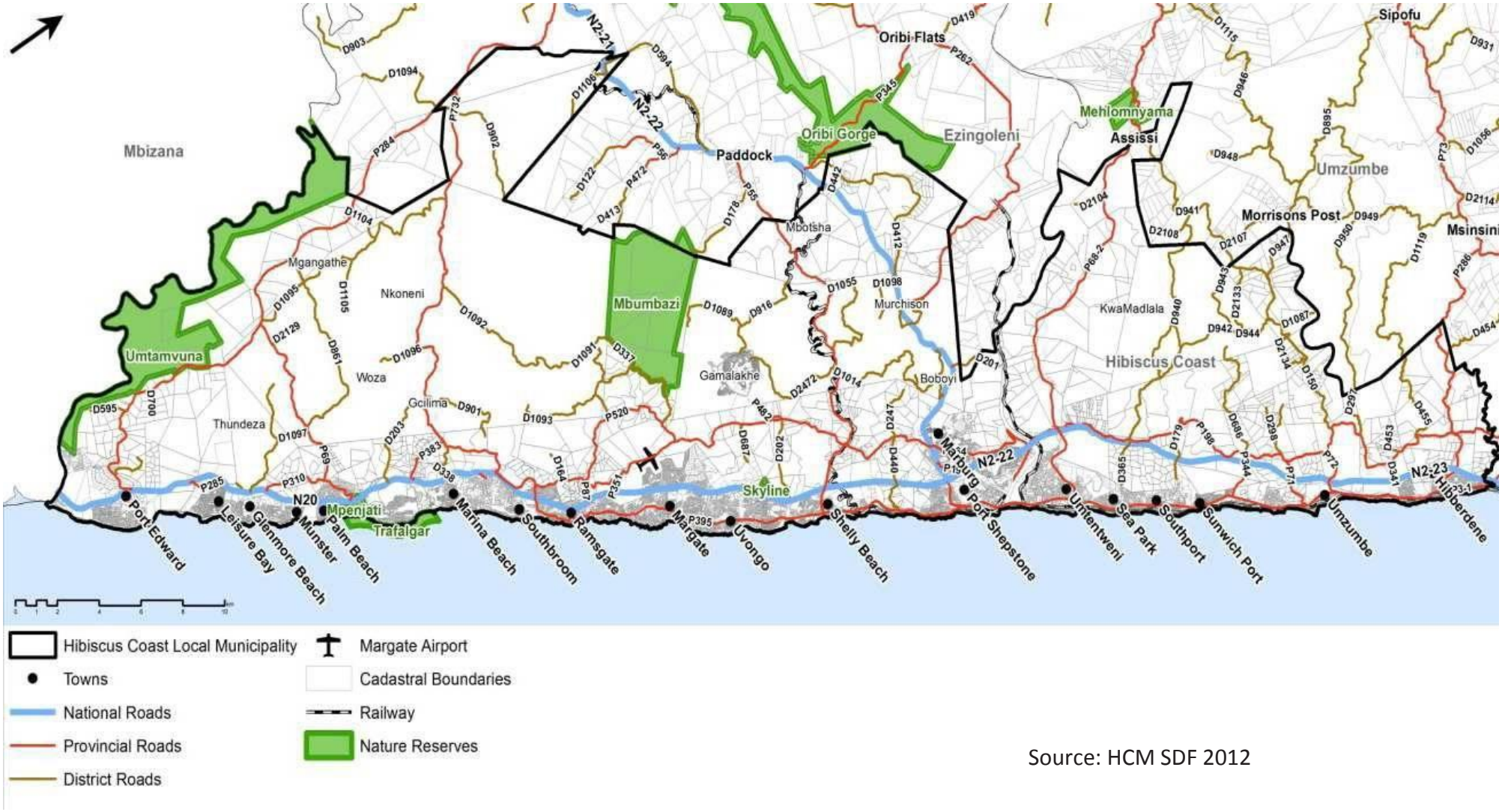
At present, the Department of Agriculture and Environmental Affairs (DAEA) is using the 10m contour as temporary coastal set-back line. The implications for development are that the environmental authorities are unlikely to support development on the seaward side of the 10m contour, particularly with rising sea levels and projected increases in the intensity and frequency storm surges.

3.3.6 River Valley Systems

There are numerous and substantial east-westerly running river valleys within the Hibiscus Coast LM. Note the steep sided valleys of several rivers, such as the Mzimkhulu, Mbizana, and Mtamvuma, contain large areas of natural vegetation. These natural assets, given their size, are important generators of ecosystem services, such flood attenuation or waste assimilation, within the municipality, particularly for the coastal areas. These assets should therefore be rehabilitated and maintained so as to improve the supply of these services.

The width of the river corridor is dependent on the local situation, for example the condition of stream, and may extend beyond the statutory 20m. Note that for particular activities within 32 meters of the edge of a stream, environmental authorization is required from the relevant environmental authorities (NEMA EIA regulations, 2010).

Map 37: Nature Reserves



Source: HCM SDF 2012

3.3.7 Wetlands

Wetlands are defined by the National Water Act as “land which is transitional between terrestrial and aquatic systems where the water table is usually at or near the surface, or the land is periodically covered with shallow water, and which land in normal circumstances supports or would support vegetation typically adapted to life in saturated soil.”

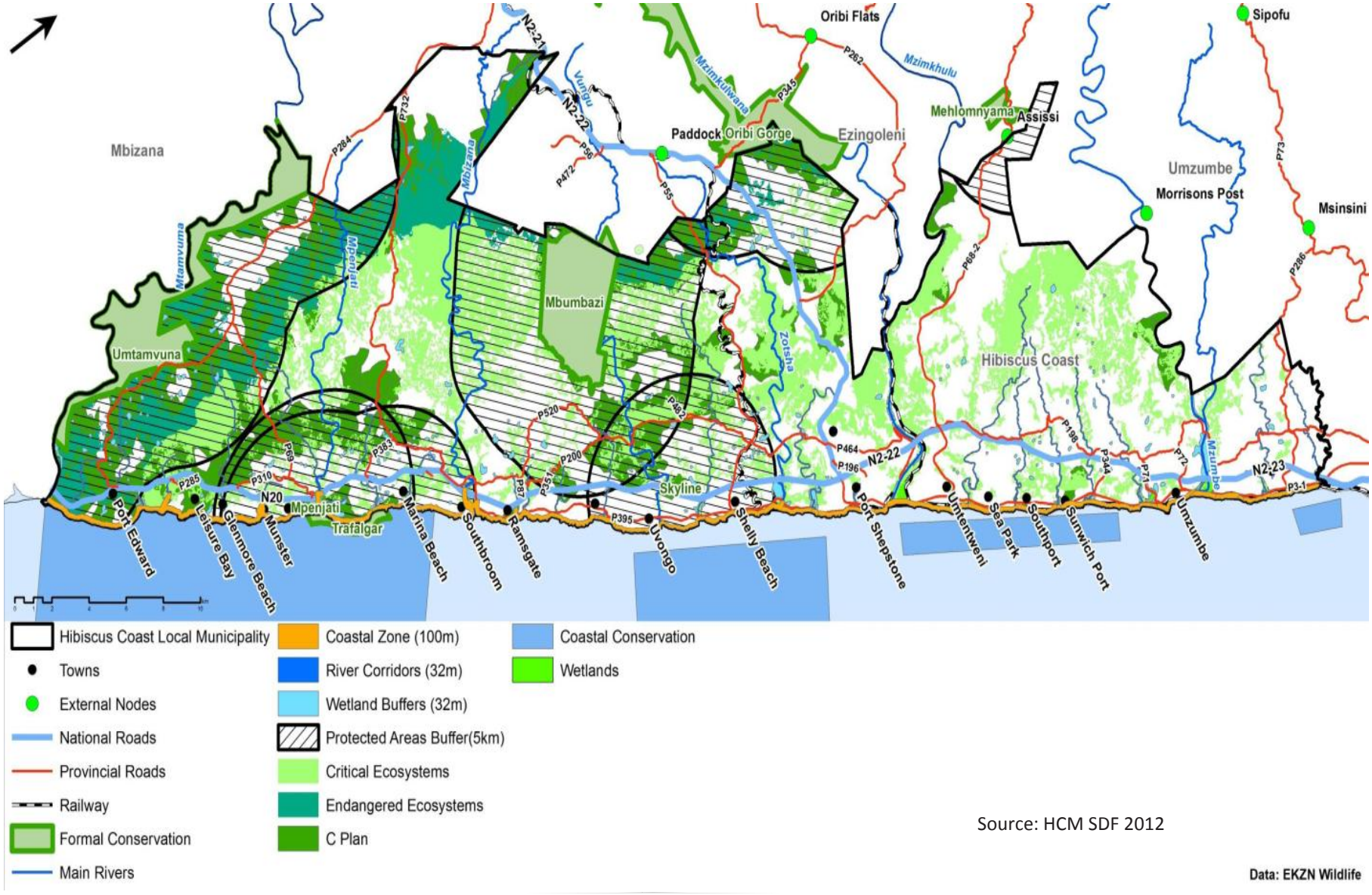
There is growing recognition of the importance of wetlands with regards to provision of ecosystem services. For example, wetlands are generally very effective in attenuating storm water runoff and assimilating water pollution. The remaining wetland areas should therefore be protected from transformation and development, rehabilitated and maintained so as to improve the supply of these services.

There are numerous relatively small wetland areas scattered throughout the Hibiscus Coast LM. As with rivers, the development buffer around wetlands is dependent on the local situation, such as the type of activity, and may extend beyond the statutory 20m. Note that for particular activities within 32 meters of the edge of a wetland, environmental authorization is required from the relevant environmental authorities (NEMA EIA regulations, 2010).

3.3.8 Formally Protected Areas

Protected areas are defined as areas of land or sea that are formally protected by law in terms of the Protected Areas Act (Act 57 of 2003), and managed mainly for biodiversity conservation. As shown below, there are four protected areas within the Hibiscus Coast LM: Mbumbazi Nature Reserve, Skyline Nature Reserve, Mpenjati Nature Reserve, and Mtamvuma Nature Reserve. Note that there are also two protected areas, namely Oribi Gorge Nature Reserve and Mehlomyama Nature Reserve which border the municipal area. (See Environmental Map on the following page.)

Map 38: Environmental



Spatial Framework Planning must actively seek to encourage new settlement patterns that are performance based, which create opportunity and choice, and which break from the status quo, often characterised by historically distorted patterns of poor performance and unsustainability. Spatial Framework Planning must be guided by an approach that is Vision based and concerned with sustainable futures. A longer term transformational view is required' (Dewar and Iyer, 2009; 40).

Our SDF has been quoted by the 'Provincial Spatial Development Guideline: Public Capital Investment and Spatial Growth' report. The municipalities desired spatial outcomes are tabled in the structure table below, in the steps (1 to 5) which are in line with the vision statement.

The Provincial Guidelines outlines the importance of generating an appropriate fit between the following interrelated aspects of a spatial plan.

- Allignment between framework planning and budgeting, including longer term maintenance requirements
- Alignment across the various service sectors in terms of intent and direction of investment
- Appropriate application of standards in response to local context relating to particular facilities; and
- Understanding the need to integrate a range of facilities and uses in a way that serves as 'urban generators.'

The following section details the SDF for the HCM. The intention is to establish a forward thinking plan that transforms the Hibiscus Coast Municipality from an area of high dependency on the coastal corridor, to an area that integrates the urban and rural seamlessly and offers economic opportunities for all.

3.3.9 Environmental Management

Map 39: Water Resources and Aquatic Ecosystem



Source: HCM SDF 2012

Table 59: Fresh water ecosystem priority

STATEMENT OF INTENT	APPROACH	LAND USE GUIDELINES
Freshwater Ecosystem Priority Areas (FEPA) are important water resource and aquatic ecosystems areas that need protection for promoting sustainable water resource use and achieving the freshwater ecosystem goals of the country.	HCM is still faced with challenges of not being able to provide water in some rural areas. Access to clean water is a deep challenge in rural areas because people there have no option but to utilise spring, dam and rivers as sources of water and are prone to a number of water borne diseases. The National Water Act (1998) recognizes that water is a scarce resource and that there is a need for the integrated management of all aspects of water resources. The National FEPA project aims to achieve such integration with the National Environmental Management Biodiversity Act (2004). The implementation of the measures in this Act must be improved in the area, specifically in respect of the protection, conservation, and sustainable use of the water resource assets in the HCM	1) All land use planned within the municipality must be consistent with the management objectives of FEPAs, i.e. FEPAs should be reflected in spatial planning categories or zones with appropriate restrictions on land uses. 2) Ecological corridors along large river corridors and wetland clusters should be established and managed. In some cases it may be appropriate to incorporate FEPAs in the municipal conservation network. 3) The management objectives for water quantity, water quality, and habitat and biota, as well as more detailed management guidelines for specific land-use practices and activities are provided in the Implementation Manual for Freshwater Ecosystem Priority Areas (WRC, 2011)

Table 60: Water Resources and Fresh Water Ecosystem Priorities

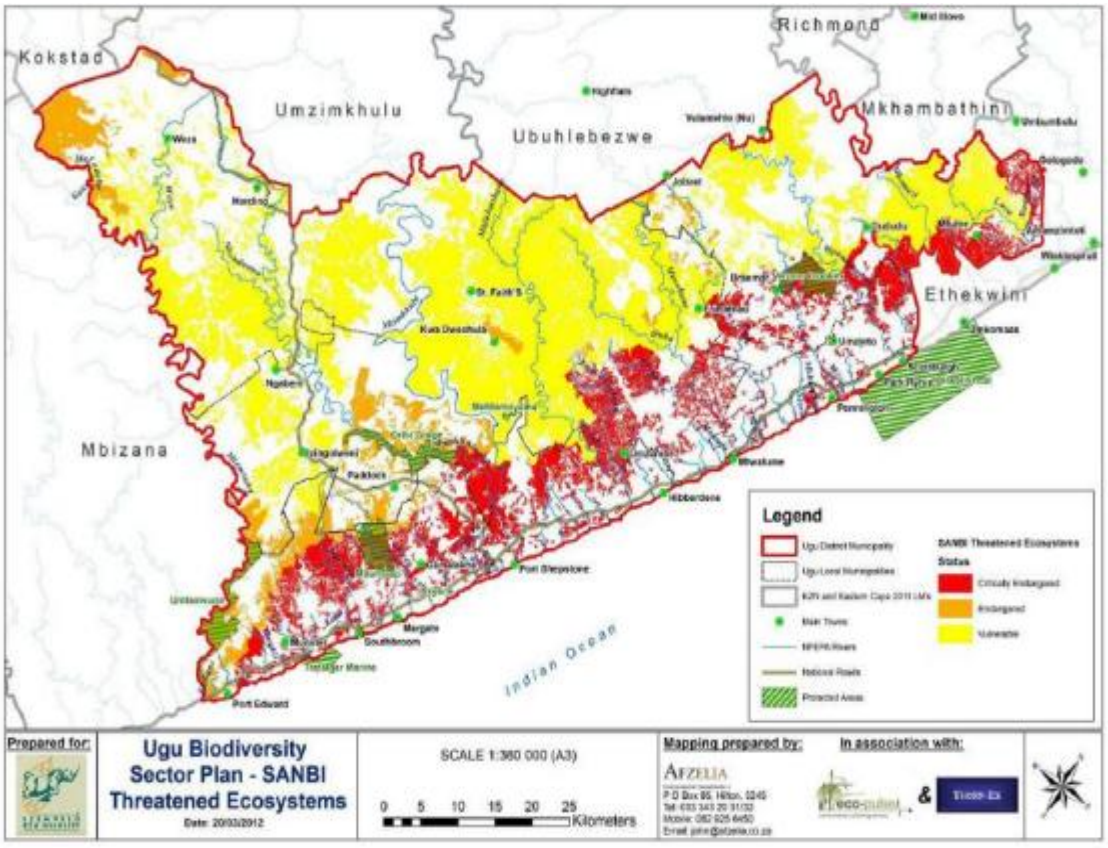
WATER RESOURCES AND FRESHWATER ECOSYSTEM PRIORITIES			
Feature	Description	Desired State	Length (km)
Mtavuma River	The Mtamvuna has formed prominent steep-sided river valleys that extend a considerable distance inland to drain the western inland regions of the District. This river is also free flowing (lacking significant impoundments) which is significant given the levels of impoundment in most South African rivers.	This river is currently in a good condition and should remain so. It should receive top priority for retaining its free-flowing character (i.e. no impoundments). This means that land-use practices or activities that will lead to deterioration in the current condition of a river FEPA are not acceptable.	144.1
Mbizana River	This river has a continuous flow in parts of its stream bed all year round during years of normal rainfall.	Moderately modified, a loss and change of natural habitat and biota have occurred but the basic ecosystem functions are still predominantly unchanged. This means that land-use practices or activities that will lead to deterioration in the current condition of a river FEPA are not acceptable	32.1
Vungu River	This river has a continuous flow in parts of its stream bed all year round during years of normal rainfall.	Moderately modified, a loss and change of natural habitat and biota have occurred but the basic ecosystem functions are still predominantly unchanged. This means that land-use practices or activities that will lead to deterioration in the current condition of a river FEPA are not acceptable	32.6
Mzikhulwana River	This river has a continuous flow in parts of its stream bed all year round during years of normal rainfall.	Largely natural with few modifications, a small change in natural habitats and biota may have taken place but the ecosystem functions are still predominantly unchanged. This means that land-use practices or activities that will lead to deterioration in the current	141.9

WATER RESOURCES AND FRESHWATER ECOSYSTEM PRIORITIES			
Feature	Description	Desired State	Length (km)
Mzimkhulu River	Mzimkhulu River has exactly the same characteristics as the Mtavuma river both the rivers have formed prominent steep-sided river valleys that extend a considerable distance inland to drain the western inland regions of the District. These two rivers are also free flowing (lacking significant impoundments) which is significant given the levels of impoundment in most South African rivers.	This river is currently in a good condition and should remain so. It should receive top priority for retaining its free-flowing character (i.e. no impoundments). This means that land-use practices or activities that will lead to deterioration in the current condition of a river FEPA are not acceptable.	130.5
Mzumbe River	This river has a continuous flow in parts of its stream bed all year round during years of normal rainfall.	Largely natural with few modifications, a small change in natural habitats and biota may have taken place but the ecosystem functions are still predominantly unchanged. This means that land-use practices or activities that will lead to deterioration in the current condition of a river FEPA are not acceptable	75.4
Wetlands	There are numerous relatively small wetland areas scattered throughout the Hibiscus Coast LM, as with rivers the development buffer around wetlands is dependent on the local situation such as the type of activity an d may extend beyond the statutory 20m note that for particular activities within 32metres of the edge of a wetland, environmental authorisation is required from the relevant environmental authorities (NEMA EIA regulations 2010)	All wetlands should be protected from development impacts. Wetlands that are in a good condition should remain so. Wetlands that are not in a good condition should be rehabilitated to their best attainable ecological condition. This means that land-use practices or activities that will lead to deterioration in the current condition of a wetland are not acceptable, and land-use practices or activities that will make rehabilitation of a wetland difficult or impossible are not acceptable.	

Proclaimed Areas and Important Terrestrial Biodiversity Areas

Protected areas are areas of land that are protected by law under the National Environmental Management: Protected Areas Act (Act 57 of 2003), and as a result are managed for the conservation of biodiversity. Critical Biodiversity Areas are natural or near natural landscapes that are considered critical for meeting biodiversity targets and thresholds, and which safeguard areas required for the persistence of viable populations of species and the functionality of ecosystems

Map 40: Terrestrial Biodiversity Areas



Source: HCM SDF 2013

Table 61: Formal conservation areas

STATEMENT OF INTENT	APPROACH	LAND USE GUIDELINES
There are two Formal Conservation Areas namely Umtamvuna and Mbumbazi. In 2009, Ezemvelo KZN Wildlife developed a marine conservation plan which identifies the best sites for marine protected areas based species, habitats and threat data. There are several sites of conservation significance on the coast of the municipality, particularly between Pumula and Uvongo, near Hibberdene, and approximately 10 kilometres off the coast of Shelly Beach (i.e. Protea Banks). The implications for development are that certain activities are prohibited or restricted within these marine areas of high conservation value. There should be careful management of onshore activities which can potentially impact negatively on the biodiversity of these areas	HCM contains several sensitive vegetation types or areas of conservation significance, these areas have been identified as being of conservation value as they are necessary to maintain a representative sample of biodiversity and to sustain the functioning of that particular ecosystem. HCM contains several Critically Endangered (CE) ecosystems i.e. South Coast Grasslands, Margate Pondoland-Ugu Sourveld, and Southern Coastal Grasslands, Endangered (E) ecosystem types, namely Oribi-Port Edward Pondoland-Ugu Sourveld vegetation types.The implications for development are that certain activities within these areas require environmental authorisation and may be subject to an offset requirement, Norms and Standards for Biodiversity Offsets. The objectives of national government, as well as the importance of threatened ecosystems to sustainable development of the area, a prescriptive approach to land use management would be required.	11) The Ugu District Biodiversity Sector Plan (2012) contains land management guidelines associated with Critical Biodiversity Areas (CBAs) and Ecological Support Areas (ESAs), and other land management units, as categorised by the Biodiversity Sector Plan. These guidelines contain the various possible land uses that may or may not be compatible with biodiversity objectives and must be used to inform land use planning,decision making and development authorisations. 2) Activity 12 in Listing Notice 3 of the EIA Regulations (R546 of 2010) relates to the clearance of 300m² or more of vegetation, which will trigger a basic assessment within any critically endangered or endangered ecosystem listed in terms of Section 52 of the Biodiversity Act. Critically endangered and endangered ecosystems were listed by Government Notice No 1002 of 9 December 2011 and the Hibiscus Coast contains such systems. This means any development that involves loss of natural habitat in a listed critically endangered or endangered ecosystem is likely to require at least a basic assessment in terms of the EIA regulations

Refer to map.



Coastal and Marine Resources

The National White Paper on Sustainable Coastal Development inSouth Africa was produced in 2000. It acknowledged that the coastline is a national asset with value, opportunity and potential that is however vulnerable to overuse and degradation. The white paper identified HCM coastal strip as spectacular coast which is well accessible and aesthetic. The municipality has also achieved a blue flag status. The Blue Flag is a voluntary eco-label awarded to over 3450 beaches and marinas in 41 countries across Europe, South Africa, Morocco, Tunisia, New Zealand, Brazil, Canada and the Caribbean.

It works towards sustainable development at beaches/marinas through strict criteria dealing with water quality, environmental education and information, environmental management, and safety and other services. The Blue Flag Programme includes environmental education and information for the public, decision makers and tourism operators. This section assesses the different characteristics of HCM coast and the desired state for each of these characteristics. Particular attention is paid on these features:

- Coastal public property;
- Coastal protection zone;
- Coastal access land;
- Coastal Water Sanctuary Zone;
- Estuaries; and
- Naturally vegetated dunes and fore dunes.

Table 62: Features of importance

Feature	Description	Desired State
Coastal public property	Coastal public property broadly includes land submerged by coastal waters, the seashore, admiralty reserve and state-owned land. Admiralty reserve is a strip of state-owned land approximately 45-60m wide inland of the high-water mark. This strip includes land owned by the State and/or where it is specifically described in title deeds of private land. The admiralty reserve is therefore not continuous along the coast. This property cannot therefore be transferred, sold, attached or acquired by prescription. The state remains the trustees of coastal public property on behalf of the citizens and has to ensure that this property is used, managed, protected, conversed and enhanced in the interest of the whole community as opposed to only a few individuals and groups. It was administered by the Seashore Act (No. 21 of 1935) until the enactment of the ICM Act and it is now included in coastal public property.	These areas should be delineated in accordance with the requirements of the Integrated Coastal Management Act (2008). It must inform the local scheme
Coastal protection zone	This zone is established to ensure the protection of the ecological integrity, natural character and economic, social and aesthetic values of the coast. The coastal protection zone nominally includes land falling within 100m of the high-water mark in urban areas and within 1km in rural areas, unless otherwise determined by the MEC. Given that there is almost continuous strip of residential and commercial development along the coastline of the Hibiscus Coast LM, the coastal zone is represented by a band which extends 100m inland of the HWM. There are also in some areas which are predominantly rural, such as north of Hibberdene, the coastal zone may exceed 1000m inland of the HWM, the intention of this zone is to manage, regulate and restrict the use of land that is adjacent to coastal public property or that plays an important role in the coastal ecosystem. As a result particular activities within this zone require environmental authorisation from the Department of Agriculture and Environmental Affairs(DAEA) as required in terms of the NEMA EIA regulations (2010)	These areas should be delineated in accordance with the requirements of the Integrated Coastal Management Act (2008). It must inform the local scheme.



Feature	Description	Desired State
Coastal access land	Land which the public may use to gain access to coastal public property via public access servitudes.	These areas should be delineated in accordance with the requirements of the Integrated Coastal Management Act (2008). It must inform the local scheme.
Coastal Water Sanctuary Zone	Coastal Waters extend from the boundary of the territorial sea (12 nautical miles) to the seashore. The state is responsible for controlling or managing any activity or in coastal waters in the interests of the whole community and according to South Africa's obligations under international law	Coastal protected areas are legislated and protected and managed by the National Environmental Management Protected Areas act (Act no. 57 of 2003)
Estuaries	Estuaries comprise the unique zone where rivers meet the sea. They are highly variable systems that may experience water chemistry fluctuations, depending on tidal strength and river flow	Land-use practices or activities in these areas that will lead to deterioration in the current condition of the estuaries, or that will make rehabilitation of estuarine areas difficult or impossible are not acceptable. Cumulative impacts of land use practices need to be managed.
Naturally vegetated dunes and fore dunes	The integrity of the sand cycle depends on the state of dunes.	The removal, alteration or damage of dune vegetation should be strictly controlled. Dune systems should be delineated as no-go areas for development and settlements.
Susceptibility of the coast to wind erosion	The coastal zone is highly susceptible to wind erosion because of the dominance of pure sands.	Land use practices should not influence the sand cycle. Control is needed to manage land cover

Feature	Description	Desired State
Rivers and local catchments around estuaries	Rivers that flow into the estuaries and the catchments surrounding these estuaries are highly sensitive to land use impacts.	The rivers must be buffered in order to delineate no-go areas for development, and resource use in these areas must be strictly controlled. The catchments of the four local rivers must be denoted as areas of low development potential. Land allocation in the river catchments must take downstream impacts into account. The cumulative impacts of land use must be managed.
Marine Conservation	The municipality has several conservation sites that have been identified as being important along the coast particularly between Pumula and Uvongo near Hibberdene and approximately 10km off the coast of Shelly Beach.	The implications for development are that certain activities are aren't allowed or restricted within these marine areas of high conservation value therefore there must be careful management of on –shore activities which have a potential to impact negatively on the biodiversity of these areas.

3.4 Good Governance and Public Participation SWOT Analysis

Strengths	Weaknesses
• Being able to develop a sound vision statement that talks to both urban and rural developments • SDF is aligned to all the planning principles • Corridors with vibrant economic activities have been identified • Being able to plan with communities at large • HCM makes provision for the development of community centres within a cluster of settlements • Cross Boundary Potentials	• The need to develop the full suite of plans for the municipality • Key spatial plans have not been fully developed
Opportunities	**Threats**
• Meeting land use needs and identification of economic development potentials through • Job opportunities in the newly developed nodes and economic corridors • An extensive range of natural assets for preserving the biodiversity for future generations	• Slow development in the hinterland • Organic and illegal thus a great need for the implementation of the SDF • Slow development of a wall to wall scheme as per the PDA regulations

CHAPTER 4: IMPLEMENTATION FRAMEWORK

4.1 Organizational Performance Management Framework

Introduction

This chapter provides indicators, under each focus area that an IDP must respond to. Importantly, this analysis to strategic programmes and project development, it also presents a discussion about the importance of linking planning, budgeting, and implementation, monitoring and reporting. It also outlines a process to be followed to ensure proper linkage of these processes to ensure effective implementation.

The municipality has developed its SDBIP to fulfill both the requirements of the Municipal Systems Act and the Municipal Finance management Act. In this section the policy framework for performance management system is summarized and the draft 2015-16 SDBIP and complete policy framework attached as an Annexure. The Municipal Planning and Performance Management Regulations stipulate that a municipality's Organisational Performance Management System (OPMS) must entail a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players. In line with the said legal requirement this framework should be seen as a policy document that will set out:

- The requirements that the Hibiscus Coast Municipality's OPMS will need to fulfill,
- The principles that must inform its development and subsequent implementation,
- The preferred performance management model of the Municipality,
- The process by which the system will work,
- The delegation of responsibilities for different roles in the process and
- A plan for the implementation of the system.

4.2 The Legislative Framework for Performance Management

The major OPMS policy instruments are the 1998 White Paper on Local Government supported by the Batho Pele principles encompassed in the White Paper on the Transformation of Public Service Delivery (1997). These policies were given legal stature through the adoption of the Municipal Systems Act in 2000 (Act 32 of 2000).

The Municipal System Act requires all municipalities to:

- Develop a performance management system
- Set targets and monitor and review the performance of the Municipality based on indicators linked to their Integrated Development Plan (IDP)
- Publish an annual performance report on performance of the Municipality forming part of its annual report as per the Municipal Finance Management Act (MFMA).
- Incorporate and report on a set of general (sometimes also referred to as national) indicators prescribed by the Minister responsible for local government
- Conduct, on a continuous basis, an internal audit of all performance measures
- Have their annual performance report audited by the Auditor-General
- Involve the community in setting indicators and targets and reviewing municipal performance

The Minister responsible for local government published the Municipal Planning and Performance Management Regulations (2001) in terms of the Municipal Systems Act setting out in detail the requirements for a municipal OPMS. The Regulations also contain the general indicators prescribed by the Minister responsible for local government. In 2006 the Minister published a further set of Regulations dealing with Performance Management for Municipal Managers and Managers Directly Accountable to Municipal Managers.

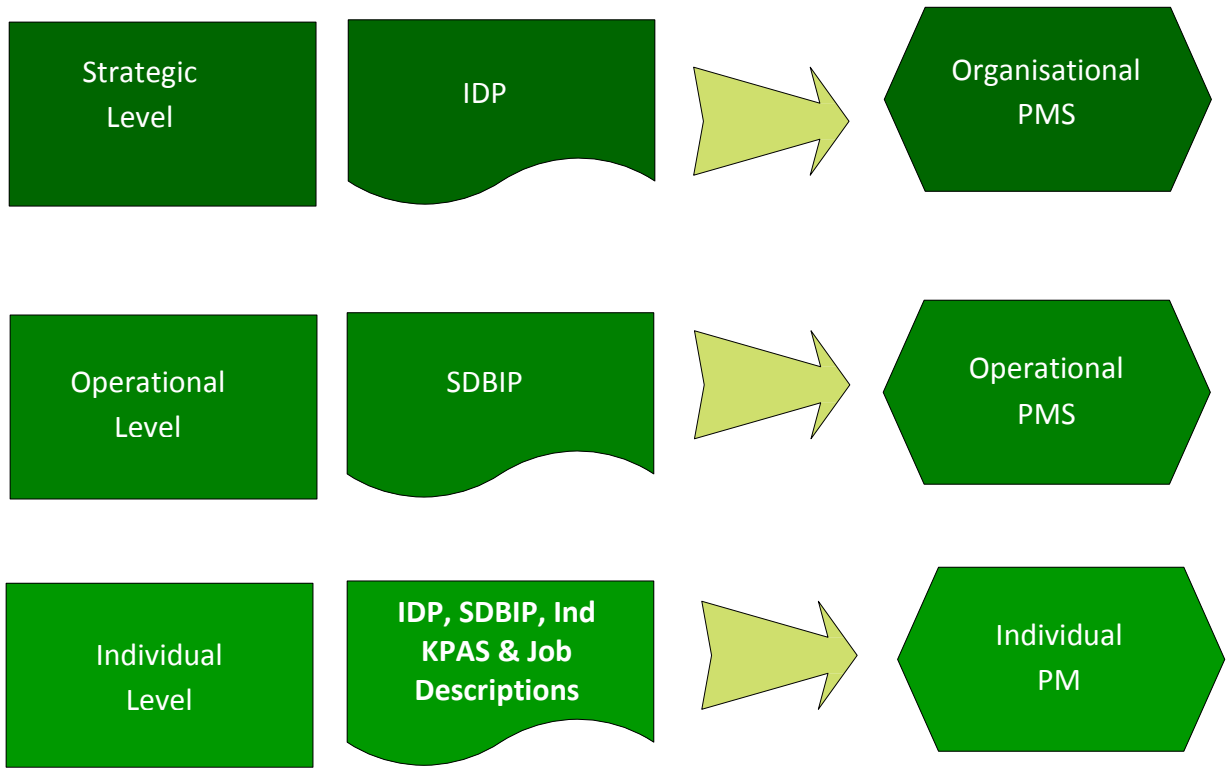
It is also important to note that the MFMA contains various important provisions related to municipal performance management. For instance, the MFMA requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP) with service delivery targets and performance indicators;

Provision is also made for this at departmental level in a circular issued by the National Treasury. Whilst considering and approving the annual budget the Municipality must also set measurable performance targets for each revenue source and vote. Finally, the Municipality must compile an annual report, which must include a performance report compiled in terms of the Systems Act.

4.3 Managing and measuring performance at various levels

Performance management can be applied to various levels within any organisation. The legislative framework as set out above provides for performance management at various levels in a municipality including organisational (sometimes also referred to as municipal, corporate or strategic) level, operational (also referred to as services, departmental or section/team level) and lastly, at individual level as. These levels are however integrated and interdependent on each other.

Illustration 8: Strategic (Organisational) Performance linked to the integrated development plan (IDP) of a municipality



4.4 Objectives of the Hibiscus Coast Municipality's Performance Management System

As indicated in the previous section, the Municipality's OPMS is the primary mechanism to monitor, review and improve the implementation of its IDP and to gauge the progress made in achieving the objectives set out in the IDP. The system should fulfill the following objectives:

- Facilitate increased accountability

 The performance management system should provide a mechanism for ensuring increased accountability between the local community, politicians, the Municipal Council and the municipal management team.

4.5 Support Municipal Oversight

The performance management system should support oversight by the Council and community over the performance of the Executive Committee and Municipal Administration.

- Facilitate learning and improvement

 The OPMS should facilitate learning in order to enable the Municipality to improve delivery.

- Provide early warning signals

It is important that the system ensures decision-makers are timeously informed of performance related risks, so that they can facilitate intervention where necessary.

- Facilitate decision making

The performance management system should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

The objectives listed above are not exhaustive, but summarise the intended benefits of the system. These intended objectives should be used to evaluate and review the performance management system on a regular basis (see section 9.2).

4.6 Performance Reporting and Review

The next two stages in the process of performance management, namely that of performance reporting and performance review, will be dealt with together. This section is further divided into three sub-sections dealing with the requirements for 'in-year' versus annual reporting and reviews and lastly a summary of the various reporting requirements.

4.6.1 In-year Performance Reporting and Review

The submission of the scorecard to the Executive Committee for consideration and review of the performance of the Municipality as a whole is the next step in the process. The first such report is a major milestone in the implementation of any OPMS and it marks the beginning of what should become a regular event, namely using the performance report as a tool to assess and review the Municipality's performance and to make important political and management decisions on how the municipality can improve its performance.

As indicated earlier it is recommended that the organisational scorecard be submitted to the Executive Committee for consideration and review on a quarterly basis. The reporting should therefore take place in October (for the period July to end of September) January (for the period October to the end of December), April (for the period January to end of March) and July (for the period April to the end of June).

The review in January will coincide with the mid-year performance assessment as per Section 72 of the MFMA. This Section determines that the accounting officer must, by 25 January of each year, assess the performance of the municipality and report to the Executive Committee via the Mayor on, inter alia, its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in its SDBIP.

Performance review is the process whereby the leadership of an organisation, after the performance of the organisation has been measured and reported to it, reviews the results and decides on appropriate action to be taken. The Executive Committee, when reviewing the organisational scorecard submitted to it, will have to ensure that the targets committed to in the scorecard have been met, and where they have not, that satisfactory and sufficient reasons for this have been provided by senior management and that the sufficient and appropriate corrective action has been proposed to address the reasons for poor performance. If satisfied with the corrective action as proposed these must be adopted as formal resolutions of Council and must be minuted and actioned accordingly.

Section 44(4) of the Municipal Structures Act, 1998 (Act 117 of 1998) as amended requires that the Executive Committee must report to Council on all its decisions taken. The outcome of the quarterly performance reviews by the Executive Committee must, in line with this requirement, be reported to the full Council for it to perform its oversight function over the performance of the Municipal Executive and Administration. In doing so Council must review the decisions taken and resolve whether it is satisfied with the corrective action adopted by the Executive Committee. If they are not then the Executive Committee recommendation must be amended accordingly and the amendments minuted and actioned.

4.6.2 Annual Performance Reporting and Review

A comprehensive report on the performance of the Municipality also needs to be compiled on an annual basis. The requirements for the compilation, consideration and review of such an annual report are set out in chapter 12 of the MFMA. In summary the MFMA requires that:

- All municipalities for each financial year compile an annual report which report must include the municipal performance report
- The annual report be tabled within seven months after the end of the financial year
- The annual report be made public immediately after it has been tabled and that the local community be invited to submit representations thereon
- The municipal Council considers the annual report within nine months of the end of the financial year and adopts an oversight report containing the Council's comments on the annual report
- The oversight report as adopted be made public
- The annual report as tabled and the Council's oversight report be forwarded to the Auditor-General, the Provincial Treasury and the Department responsible for local government in the Province
- The annual report as tabled and the Council's oversight report be submitted to the Provincial legislature.

It is important to note that the municipal performance report of a municipality is only one element of the annual report. To ensure that the annual report compilation, tabling and review process is completed in time to inform the next cycle of performance planning in accordance with the IDP compilation/review process, it is recommended that the annual performance report be compiled and completed as soon after the end of each financial year as possible but ideally not later than two months after financial-year end.



The oversight report to be adopted provides the opportunity for the full Council to review the performance of the Municipality in line with its oversight role. The requirement that the annual report, once tabled, and the oversight report be made public also provides a mechanism for the general public to review the performance of the Municipality in line with the community's oversight role.

In order to facilitate the oversight process it is recommended that a municipal oversight committee be established consisting of a selected number of Councillors not serving on the Executive Committee. Council should also consider in line with oversight best practice that the chairperson of the oversight committee be a member of an opposition party.

The oversight committee will be responsible for the detailed analysis and review of the annual report and the drafting of the oversight report. In doing so the committee must establish mechanisms to receive and review representations made by the public on the annual report and also seek inputs from other and Council portfolio committees. Such mechanisms could involve all or any combination of the following:

- Producing a user-friendly citizens' report in addition to the annual report for public consumption. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.
- Using of various forms of media including radio, newspapers and billboards to convey the annual report.
- Inviting the public to submit comments on the annual report via telephone, fax and email.
- Holding public hearings in a variety of locations to obtain their input on the annual report.
- Making use of existing structures such as ward and/or development committees to disseminate the annual report and invite comments.
- Debating the annual report at a meeting of the IDP Representative Forum
- Hosting a number of public meetings or road-shows at which the annual report could be discussed and input invited.
- Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public are invited to comment.
- Posting the annual report on the council website and inviting input
- Conducting Customer Satisfactory Surveys on annual basis as means of community consultation and involvement.

It is further proposed that the oversight committee functions as a MPAC. As such the committee must examine the performance of the municipality.

4.6.3 Reporting requirements

The following table, based on the legislative framework for performance management and this OPMS framework, provides a summary of the various performance reporting deadlines which apply to the Municipality:

Table 63: OPMS Framework

Report	Frequency	Submitted for consideration and/ or review to	Remarks	Responsibility
SDBIP's	Quarterly	Executive Committee	Refer to MFMA Circular 13 of National Treasury for	MM
Monthly budget statements	Monthly	Mayor (in consultation with Exco)	Refer to sections 71 and 54 of the MFMA	CFO
Organisational Scorecard	Quarterly	Executive Committee and then in terms of an Exco report to full Council	OPMS framework (see section 7.5.1 above)	MM
Implementation of the budget and financial state of affairs of the Municipality	Quarterly	Council	Refer to section 52 of the MFMA	CFO
SDBIP mid-year budget and performance assessment	Annually during January of each year	Mayor (in consultation with Exco)	Refer to sections 72 and 54 of the MFMA	MM / CFO
Performance report (including Customer Satisfactory Surveys)	Annually	Council	Refer to section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report (see 7 below)	MM
Annual report	Annually	Council	Refer to chapter 12 of the MFMA	MM

CHAPTER 5: IMPLEMENTATION PLAN

Introduction

As part of the Hibiscus Coast IDP, the SDF and its implementation elements are crucial for progressive development of the municipal area and its communities. Practical implementation of the IDP will be achieved through further detailed planning of special development areas and the formulation of the suite of municipal land use management tools, special municipal wide projects and capital investments framework. The latter serves as a link between the SDF, the IDP and the budget.

Implementation Plan

SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT																	
Key Challenge	Project	Obj Ref.:	Objective	Strategies	Performance Indicator	Programme	Baseline	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget (R)	Source	Responsibility (in Mun)	
								Yr 1	Yr 2	Yr 3	Yr 4	Yr 5		('000)			
								2013/13	2013/14	2014/15	2015/16	2016/17					
1. MUNICIPAL WIDE PROJECTS										**R 20 761 375.00**	**R 25 200 000.00**	**R 26 140 000.00**					
Backlog in Service Delivery	Roads Rehabilitation Phase 7 Gravel		Improve infrastructure project and interventions delivery and ensure value is derived	Tarring of gravel roads	Date of the completion of the construction and refurbishment of roads	SIP 6 & 7				R 5 600 000.00	R 6 200 000.00	R 6 820 000.00			HCM IDP 2013/14	Internal	
	Roads rehabilitation Phase 6 Tarred									R 5 600 000.00	R 6 200 000.00	R 6 820 000.00			HCM IDP 2013/14	Internal	
	Storm water Rural			Basic Services in every households (Water and Sanitation 2000)	Date of the completion of the construction of storm water					R 2 400 000.00	R 2 650 000.00	R 2 650 000.00			HCM IDP 2013/14	Internal	
	Storm water urban					SIP 6 &18				R 2 400 000.00	R 2 650 000.00	R 2 650 000.00			HCM IDP 2013/14	Internal	
Unsafe street at night leading to increased crime activity	Traffic signals lights re-placement		To ensure community safety	Improve Basic Infrastructure (Densely Populated Areas)	Number of street lights installed	SIP 6				R 500 000.00	——				HCM IDP 2013/14	Internal	
	Street lights replacements									R 500 000.00					HCM IDP 2013/14	Internal	
	Aesthetic street light HCM CBD Phase 3									R 700 000.00					HCM IDP 2013/14	Internal	
Backlog in Service Delivery	Staff Ablution facilities Phase 3		To improve the delivery of basic services	Construction of ablution facilities	Number of staff ablution facilities constructed	SIP 6 & 18				R 500 000.00	R 6 500 000.00	R 7 200 000.00			HCM IDP 2013/14	Internal	

Structure Delivery and Infrastructure Development Contd.

	Outlands Landfill Site Phase 5			Date of the completion of the construction of storm water	Completed development of landfill site	SIP 6				R 500 000.00					HCM IDP 2013/14	MIG
	Rural Storm Water			Improve Basic Infrastructure (Densely Populated Areas)	Date of the completion of the construction of storm water	SIP 6 & 18									HCM IDP 2013/14	MIG
	Road rehabilitation				Date of the completion of the construction and refurbishment of roads	SIP 6 & 7				R 2 061 375.00					HCM IDP 2013/14	MIG
	Refuse compactors				Number of refuse compactors	SIP 6									HCM IDP 2013/14	Internal
	Promoting sustanaible livelihoods development through multi-stakeholder forum										R 1 000 000.00				HCM IDP 2013/14	DEDTEA/HCM

Structure Delivery and Infrastructure Development Contd.

2. STRATEGIC SPATIAL PLANNING PROJECTS																
Urban Decay	Hibiscus Core Local Area Plan and Port Shepstone Urban Renewal		To improve infrastructure projects and interventions delivery and ensure value is derived	To beautify HCM and ensure it`s attractiveness	Completed plans adopted by Council	SIP 7					R 1 500 000.00				HCM IDP 2013/14	CoGTA
	Margate Urban Renewal Project (Implementation)										R 10 000 000				HCM IDP 2013/14	CoGTA
	Margate Airport Master Plan		To grow the economy of HCM to 8% in 5 years								R 500 000.00				HCM IDP 2013/14	CoGTA
	Aleman Street LAP		To improve infrastructure projects and interventions delivery and ensure value is derived												HCM SDF 2014/15	Internal

Structure Delivery and Infrastructure Development Contd.

3. ENVIRONMENTAL PROJECTS											**R 4 500 000.00**				
	Strategic Environmental Assessments (SEA)		The municipality has huge environmental land which requires protection								R 500 000.00				DEDTEA/ HCM
	Estuary Management Plan		Esatuary and coastal management is required								R 200 000.00				DEDTEA/ HCM
	Wetlands Rehabilitation		Wetlands are scattered throughout the Municipality		Completed plans adopted by Council						R 200 000.00				DEDTEA/ HCM
	Alien Invasive Management		Primary and Secondary Corridors merge within the Municipality								R 1 000 000.00				DEDTEA/ HCM
	Open Space System Plan for HCM		To improve and build a sustainable HCM environment								R 500 000.00			HCM IDP 2013/14	CoGTA
	Identifying and Demarcation of high value agriculture land				Approved high value agricultural land						R 600 000.00			HCM IDP 2013/14	DEDTEA/ HCM
	Develop and Implement a Green Landscaping Guideline for Public Areas				Completed and Approved Green Landscaping Guidelines by Council						R 500 000.00			HCM IDP 2013/14	DEDTEA/ HCM
	Establishing joint conservation planning forum with EKZNW				Established Conservation Planning Forum						R 1 000 000.00			HCM IDP 2013/14	EKZNW/ HCM

Structure Delivery and Infrastructure Development Contd.

4.LOCAL ECONOMIC DEVELOPMENT PROJECTS											**R 2 750 000.00**					
	Tourism Corridor Study		To grow the economy of HCM to 8% in 5 years		Completed plans adopted by Council	SIP 3					R 500 000.00				HCM IDP 2013/14	DEDTEA/ HCM
	Izotsha corridor and conceptual precinct plans										R 1 000 000.00				HCM IDP 2013/14	DEDTEA/ HCM
	Packaging Industrial Development opportunities				Approved areas for future industrial development						R 750 000.00				HCM IDP 2013/14	DEDTEA/ HCM
	KwaXolo Caves Project														HCM IDP 2013/14	DEDTEA/ HCM
	Establishing product collection points/systems (Agri-hubs)										R 500 000.00				HCM IDP 2013/14	DEDTEA/ HCM